FINANCIAL TIMES

No. 26,910 Wednesday March 3 1976 **10p

CONTINENTAL SELLING PRICES: AUSTRIA Sch.13; BELGIUM Fr.20; DENMARK Kr.2.75; FRANCE Fr.2.20; GERMANY DM1.70; ITALY L.300; NETHERLANDS Fl.1.50; NORWAY Kr.2.75; PORTUGAL Esc.15.00; SPAIN Pts.30; SWEDEN Kr.2.50; SWITZERLAND Fr.1.50

NEWS SUMMARY

GENERAL

London bomb factory found

The Bomb Squad last night found another bomb factory in London. A Scotland Yard spokesmen said a number of devices and explosives were discovered in the Clapham area.

The find was preceded by raids by armed detectives in various parts of London, mostly north of the river. There have been eight bomb attacks in the capital since the death of IRA hunger striker Frank Stagg last month.

Meanwhile, police continued to wait at the St. Stephen's Hospital, Fulham, bedside of a 24-year-old man who was seriously injured in Monday's explosion in Stanhope Gardens, South Kensington. The man lost a hand.

Earlier, Scotland Yard's anti-terrorist experts had sent a photograph of the injured man to the Irish police for checking. The man is thought to be from the Irish Republic.

In Belfast Ulster Loyalists prolonged the agony of the dying Convention last night by seeking endorsement of all 29 conclusions contained in their original Convention report which was rejected by the British Government. This means that it will not be wound-up until to-day.

Hint that UK may join Rhodesia talks

Mr. Ian Smith's reported concessions in constitutional talks *with Mr. Joshua Nkomo may be* significant enough to encourage Mr. James Callaghan, Foreign Secretary, to announce British *participation. It was being* suggested in Salisbury yesterday. Page 5. Parliament, Page 12

Wilson papers: charge expected

A man is expected to be charged later this week in connection with the disappearance of papers belonging to Mr. Harold Wilson. He is likely to be accused of dishonestly handling some of the Prime Minister's papers. A number of people were taken to Cannon Row police station early yesterday for interview. They were later released.

Lloyds to aid youth orchestra

BRITAIN'S National Youth Orchestra is to get £45,000 from Lloyds Bank to help with concert *performances* and to boost its work in furthering the careers of young musicians. The gift will cover the next three years and add to the orchestra's £20,000 Arts Council grant.

Lion attacks Woking woman

A 14-stone lion jumped on the back of a woman when she was walking to work—she was wearing a *leopard* skin coat — in Woking, Surrey, yesterday. The incident happened as the pet was being chased along the street by *its owner. The woman* was not seriously hurt. Pet lions do not require a licence.

Broad-minded

A bride's complaint that her husband failed to support her, spent his time and money gambling and even tried to rob a bank, was no reason to rush through divorce proceedings, three Appeal Court judges decided yesterday.

Briefly . . .

Mr. Harold Wilson is to visit Egypt for four days from May 11, it was announced in Cairo.

Norway has appointed a commission *of inquiry into the wrecking* of the oil rig Deep Sea Driller off Bergen.

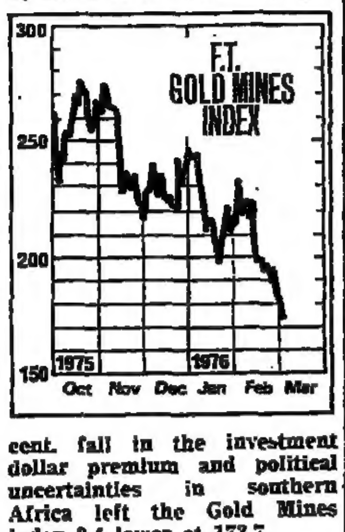
Anaconda II, Australian entry in the F.T. Clipper Race, is expected to reach Dover on Sunday or Monday. Page 2

Help the Aged has sent a further £50,000 to Guatemala, making a total of £65,000 for earthquake relief.

BUSINESS

Goldmines fall 8.4; Wall St. gains 9.76

● EQUITIES improved after early weakness, with stock in *short supply. The FT 30-share* index closed at the day's best, up 4.3 at 407.1. A further 1 per cent. fall in the investment dollar premium and political uncertainties in southern Africa left the Gold Mines index 8.4 lower at 173.7.



● GILTS continued to react to the rise in U.S. short-term interest rates. Losses ranged to ⅜. Government Securities Index shed 0.21 at 62.65.

● DOLLAR'S weighted depreciation narrowed to 2.51 (2.66) per cent. Sterling was unchanged at $2.0240 and its weighted fall remained 30.1 per *cent.*

● GOLD lost $¾ at $131½.

● WALL STREET rose 9.76 to 985.12 with demand spilling over from the previous day's late rally.

Price-check warning

● COURTAULDS, Britain's *largest* textile manufacturer, is believed to have told some of its customers that it may not be able to co-operate fully with the Government's price check scheme. Back Page

● NIGG OIL refinery in the Scottish Eastern Highlands has been approved by *the Government* two years after the application by Cromarty Petroleum, the promoter of the £150m. project. Back Page

● U.K. RESERVES rose by $239m. last month to $7.024bn., boosted by nationalised industries' foreign borrowings of $253m. Back Page

● STOCK EXCHANGE deals last *month* fell to £10.5bn. after *January's* record £16.8bn. Gilts turnover dropped 42.6 per cent. to £7.9bn., and equities 25.5 per cent. to £1.3bn. Page 11

● SUGAR INDUSTRY could become a lame duck because of union pressure to halt the expan*sion of British* beet production, warned Mr. John Beckett, chief executive of British Sugar Corporation. Page 23

● LEYLAND is rationalising its Triumph small- and medium-sized cars by dropping the Toledo and extending the Dolo*mite name over the whole series.* Page 8

● EASTERN EUROPE borrowed $5.4bn. on the Euromarket in the nine months to last September, with USSR institutions increasing their net borrowing from $74m. to $3.1bn. Page 19

● GENERALE OCCIDENTALE, the French holding company of Mr. Jimmy Goldsmith's Cavenham Foods, plans to take full control of *Generale Alimentaire,* as a prelude to reorganising the Anglo-French food group. Page 19 and Lex

● UNILEVER final-quarter pre-tax profits rose by 55 per cent. to £95.6m., leaving the year's total 2 per cent. down at £325.6m. *Page 17 and Lex*

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

BSR	123	+ 8
Commercial Union	133	+ 6½
Dennis (J. H.)	50	+ 9
Diploma Invs.	61½	+ 3½
EMI	263	+ 8
GKN	327	+ 11
Hawker Siddeley	422	+ 8
Reardon Smith "A"	76	+ 8
Royal Insurance	328	+ 12
Sheaf Steam	70	+ 7
Spear and Jackson	98	+ 4
Star Paper	20	+ 12
Tate and Lyle	269	+ 4
Unilever	452	+ 14
Youghal	98	+ 3
Shell Transport	382	+ 4
Palabora	650	+ 20
Tanganyika Con.	160	+ 6

FALLS

Treasury 9½pc 1980	£95⅞	— 7/16
Treasury 13¼pc 1997	£97⅝	— 1
Aust. & NZ Banking	388	— 12
Hammerson "A"	357	— 8
Hindson Print	42½	— 7½
Hoechst	465	— 20
Hurst (C.)	55	— 6
Newey	72	— 6
Sime Darby	107	— 11
Standard Chartd.	380xr	— 14
TCK	123	— 27
Tiger Oats	415	— 25
Woodside-Burmah	96	— 6
Anglo-Vaal	900	— 25
Cons. Gold Fields	156	— 7
De Beers Dfd.	203	— 14
East Rand Prop.	315	— 35
Kloof	490	— 30
Northgate	365	— 25
Pres. Steyn	£17	— 1
Southvaal	355	— 30
Trans. Cons. Land	750	— 100

Wide range of steel products go up 10% early next month

BY ADRIAN HAMILTON

British Steel is expected to introduce a round of substantial price increases averaging 10-12 per cent. on sheet steel and a variety of other products early next month. The increase, which will particularly affect material costs in the automobile and consumer durable industries, will mark the first major round of steel price rises in more than a year.

It comes at a time when the market, especially for sheet steel, is showing signs of improvement both here and on the *Continent, where prices have already* been raised this year.

Reflecting British Steel's recent policy of adjusting prices much more flexibly and speedily to market conditions, however, the final form of the rises may not be decided until much later this month and they are likely to vary from product to product.

BSC has already moved, last month, to raise prices of tinplate and heavy steel sections by around 10 per cent. But while the next increase will take in some of its highest volume products, prices of plate and some *billet-derived products used in* the depressed shipbuilding and construction markets may not be changed for a few months until demand improves.

The latest increase is expected to apply mainly to BSC Strip Mills products and, according to reports among its customers, to stainless and other steels used in the manufacture of consumer durables. As such, it is likely to affect half the Corporation's output or more.

It was the market for sheet steel used in car manufacture which first collapsed at the beginning of the current recession, forcing the Corporation only last summer to introduce substantial rebates of 10-11 per cent. on its sheet and coil prices in order to *protect itself from foreign* competition.

In recent months, this sector has shown the greatest signs of improvement, partly because of the success of Continental suppliers in reducing output, partly because of BSC's own production difficulties in the Strip Mills division, and partly because of the revival in home and foreign demand.

Early in the year, BSC cancelled its *previous rebates on* sheet and coil and introduced some relatively small price adjustments. Now it is clearly hoping that market conditions will allow it to take this one stage further and raise prices more generally.

Until the full details of the rise are revealed, its impact on BSC's hard-pressed finances cannot be judged. The Corporation continues to lose money at a rate of some £6m. a week and it is doubtful whether this rise can radically alter that picture.

Nevertheless it should give a considerable boost of well over £100m. in a full year to the Corporation's income. This, coupled with the considerable improvement in production rates in recent months, must lie behind its optimism that its trading position will be greatly improved next year.

BSC's major problem in raising *prices for other products* remains the continued depression of demand in many industrial sectors such as construction and the difficulties of interpreting the future course of the economic upsurge.

Formally, European Community rules allow the steel industry *to raise prices virtually* at will without intervention from the U.K. Government. But despite price increases among most Continental producers and recent indications that the Japanese are beginning to increase their prices, the economic revival is still not *established firmly enough for the* Corporation to recover all the cost increases it has suffered over the last year.

Part of the recent strengthening in the steel market can be attributed to a slowing down of the rapid destocking which dominated last year's picture. And to *this* extent, the rise in demand may level out once it reaches the level of consumption.

Improvement in demand among final users still remains tentative and limited to specific sectors and the steel industry still feels that it will be a long and gradual process before sales return to previous peak levels.

ICI plans to cut fibre workforce by 4,500

BY RHYS DAVID, TEXTILES CORRESPONDENT

ICI is planning to cut employment in its European fibre operations by about one-third in the period up to 1980, involving the loss of possibly more than 4,500 jobs. A 25 per cent. improvement in productivity is also being sought.

The company employs in fibres about 16,000 people in the U.K. and a further 3,000 on the Continent. The cut, which is expected to come through voluntary severance, natural wastage, and redeployment, is being made as part of a major review by *ICI of its fibre operations, which* last year made a loss of £30m. leaving the group's total profit at £353m. The company has also cut back on the movement of funds into fibres.

The action by ICI follows similar moves by other European fibre producers, several of whom have made substantially bigger losses on fibre operations in the past year as a result of the major downturn in demand from the textile industry. The unions have already been informed of the need to cut jobs, and are to be fully consulted.

Mr. Rowland Wright, ICI chairman, announcing the moves at the publication of the annual report, said a dramatic reappraisal of employment had been necessary against the background of the very difficult *trading conditions in fibres* during the past year.

"The number of people employed in fibres, particularly *in the U.K., is quite clearly too* many for the level of business we see ahead. This is a process which will have to continue for some time, but, if we are to emerge at the other side with a *profitable business, action has to* be taken and faced up to."

Mr. John Harvey-Jones, director in charge of fibres, said a number of moves had already been taken including closure of a plant at Kaiserlautern in West Germany and the phasing out of an old plant at Wilton, on Teesside, which was unsuitable for up-grading.

Mr. Harvey-Jones said the future of the fibres business for all producers would depend very much on the situation in textiles in Europe. The measures taken in Europe to cut back on imports—one of the main *factors behind fall-off in demand* for fibres—had not been as effective as action taken in other parts of the world, including the U.S.

Details Page 17; Lex, Back Page

Current levels of capacity utilisation in ICI's fibre business were averaging around 80 per cent., though there were important differences from fibre to fibre.

Dealing with 1975, Mr. Wright said ICI had done as well as some major American chemical companies, which were operating in an economy already picking up in the second half of the year, *and better than most of its Euro*pean rivals. The company's total sales amounted to £3.1bn.—an increase of 5 per cent. on 1974 levels—but profits were down some 28 per cent. at £353m.

This better performance, with the fourth quarter in particular showing a return to higher profit levels, is attributed by the com*pany to its wide product and geo*graphical spread. While fibres lost money, the company's agricultural business increased its profits from £89m. to £114m., partly as a result of a 26 per cent. increase in sales of crop protection chemicals. Higher profits were also recorded by industrial explosives and general chemicals.

Capital expenditure by the group on fixed assets in 1975 totalled more than £300m. and is expected to rise to around £400m. in 1976, representing a small increase in real terms after allowance for the effects of inflation. Total spending, including the company's share of development in the Ninian oil field, trade investments and additional working capital, amounted to more than £400m. in 1975, and will exceed £500m. in 1976.

Sanctioning on fixed assets is *expected in 1976 to reach around* £360m., with the U.K. accounting for £210m. of this, Continental Europe £40m., the Americas £70m. and the rest of the world £40m.

Apart from the Ninian Field where ICI has an 18 per cent. interest, the company is also looking at other possible oil and gas exploration areas in the North Sea and elsewhere in the world. One area of particular interest is the Gulf of Mexico but the company stressed it was still too early to determine whether it would become *involved there.*

Advanced new BSR product

BY LORNE BARLING

BSR, the West Midlands company which holds 60 per cent. of the world market for record changers, yesterday launched an advanced new model which it believes will win a major share of the rest of the market. It will also create 1,000 new jobs in an area of high unemployment.

The company, which in the past has concentrated on the *lower and middle price range,* revealed simultaneously in London, Zurich, New York, Los Angeles and Tokyo, a high quality, remote controlled unit called the Accutrac to be manufactured by its subsidiary, Audio Dynamics Corporation.

The new changer allows the operator to select a series of record tracks automatically by means of an electronic "eye" and a computerised memory bank. This can also be done from a distance by means of a hand held transmitter.

The new product, which will be available in the U.K. and the U.S. in April and in Japan in May, will be manufactured at Cradley Heath, Warley. Production is expected to reach 5,000 a week by September and 1,000 more workers will be taken on by the end of the year.

Three different models of the Accutrac changer will be available, with the most expensive 4000 model selling for just under £300 in the U.K. and $495 in the U.S. The company has invested about *£750,000 in development* and new equipment and £1.4m. in a new factory.

Mr. John Ferguson, chairman of BSR, said he believed the company had a world-beating product. "The most obvious function is that listeners need never touch either the turntable or the arm," he said.

Executive World, Page 13; Technical News, Page 10; Lex Back Page

BSR, which already manufactures 240,000 record changers a week, said the technology for the new model had been developed with an American company which it could not name. Some components would be manufactured in the U.S.

The U.S. market, which represents a high proportion of the world total, was the key factor in launching the Accutrac, which is claimed to be two years ahead of its rivals technically. It was described as being aimed at "the serious hi-fi lover."

The changer has been in production for only two weeks and with heavy launch expenditure the company is not expecting to recover costs this year, but in the long term sees higher margins than on other products.

It was estimated unofficially that production of about 2,500 a week was the break-even point, but early demand indicated that this level would be passed quite soon. The medium price 3000 model is expected to be selling at 2,500 a week by September, with the remaining share taken up by the two other models, the 4000 and the 2000.

The application of the changer for professional use, and for use by the blind, were seen as inevitable. The scope for developing *the technology is also regarded* as very promising.

£ in New York

	Mar. 2	Previous
Spot	[illegible]	[illegible]
1 month	[illegible]	[illegible]
3 months	[illegible]	[illegible]
12 months	[illegible]	[illegible]

Change in lira support tactics

BY ANTHONY ROBINSON

ROME, March 2

WORRIED BY the loss of reserves involved in fixing the lira at 771 to the dollar at the reopening of the official Foreign Exchange Market on Monday, the Bank of Italy to-day adopted new tactics aimed at making speculation, particularly by the banks, more difficult.

In contrast to Monday, when the Central Bank supplied all the additional dollars needed to fix the lira at 771.25, it inter*vened far less to-day and in a* way which took exchange dealers so much by surprise that the fixing in Rome at L785/dollar was practically L10 cheaper than the L794.5 at Milan.

Such a spread is unprecedented and it is difficult to escape the conclusion that this was an intentional demonstration by the Central Bank of its disapproval of the sort of easy pickings made by the Banks during the 40 days *of free floating* when the banks practised widespread arbitrage and forward cover deals with a minimum of risk.

By failing to step in itself to even out quotations between Rome and Milan the Central Bank in effect is warning exchange *dealers to* take a more cautious policy in what is now going to be a highly capricious intervention policy by the Bank of Italy.

'Flexible'

In practical terms this means that the lira is destined to see some highly volatile trading for the foreseeable future. The underlying trend is going to be dictated by the state of the balance of payments but the authorities' "flexible defence" is clearly going to be interpreted in a very liberal sense, including that of absorbing dollars at the expense of the exchange rate on easy days and intervening at times of pressure.

AP-DJ reports from Rome: In a parallel development, Total Italiana Spa., the Italian subsi*diary of Compagnie Française* des Petroles (CFP), said it had informed the Industry Ministry that it was not ordering any more oil imports because it could not afford—at current prices—to buy dollars to pay its suppliers.

In London, trading in the lira was again quiet, with continuing uncertainty over the Bank of Italy's intervention policy. The Italian currency fell heavily to touch a level of L798 to the dollar before recovering to L790 to the dollar, compared with the previous day's L781.

The effective depreciation of the lira from December 1971 levels, on the basis calculated by Morgan Guaranty, widened from 44.63 per cent. to 45.78 per cent.

As Lords vote on Press charter

George-Brown resigns from Labour Party

BY JOHN HUNT

LORD GEORGE-BROWN, former Deputy Leader of the Labour Party, last night announced that he is resigning from the party in protest at the Government's handling of the Press freedom issue in the Trade Union and Labour Relations (Amendment) Bill.

He told the Government Whip of his decision in the Lords last night after the Government had *defeated a move by Lord Good*man, the independent peer, to get Lord Houghton's voluntary Press freedom charter thrown out of the Bill.

The debate and vote in the Lords marks the end of the year-long struggle of Lord Goodman, chairman of the Newspaper Publishers Association, to get a legally backed charter into the Bill. His code would have protected journalists from arbitrary exclusion from a trade union and the right of editors to accept outside contributions.

As a result of yesterday's vote, the Houghton voluntary charter containing "practical guidance" on matters relating to Press freedom, will remain in the Bill. The particular objection of Lord Goodman was that the clause lays down that if the industry fails to agree on a charter within a year then Mr. Michael Foot, Employment Secretary, could draw up a draft charter.

Lord Goodman warned: "No civilised country that I know has his Press regulated by the Government and by the legislator. It would be a very sad day if we introduced that sort of thing here."

Had Lord Goodman's amendment been accepted it would have meant that the Government would invoke the Parliament Act. The Bill, which was in its report stage in the Lords, would then have ended up with no Press charter at all. But Lord Goodman told peers that a Bill without any charter was infinitely preferable to one determined by a Minister of the Crown and regulated by Parliament.

Lord Goodman's attempt to revoke the Houghton code was rejected by a majority of 38 (109—71). The Conservatives had a free vote and many of them joined with independent cross-benchers in supporting Lord Goodman's move. The Government, which had imposed a Whip, was supported in the division lobby by some of the Liberals.

Lord George-Brown, however, voted against the Government. *Afterwards he said: "The Labour* Party has lost the sense of the people. We are no longer standing for the individual."

In a reference to the growing power of the trade unions he said: "We are standing for a different kind of master."

He explained that he had seen the *Solzhenitsyn* interview on TV the previous night and had then come to the House of Lords to witness the Government opposing Lord Goodman's amendment.

"I came to the conclusion that the Labour Party no longer stands for the individual," he stated. "It has become as Solzhenitsyn said, just another machine."

His resignation, which comes as *little surprise* to his *former* colleagues, ends his often stormy 45-year career in the Labour Party. Since losing his seat at Belper in the 1970 General Election he has steadily moved away from official party policy and has many times warned in

Continued on Back Page
Parliament Page 12
Editorial Comment Page 14

FEATURES

End to sweet dreams in sugar refineries
High stakes in Coventry election race
Dixons/Weston merger
Iran's budget deficit ... 5
Denmark's economy ... 6

FT REPORT
Zeebrugge ... 20 & 21

ON OTHER PAGES

Appointments	11	Lex	28	**OFFER FOR SALE**	
Appointments Advt.	11	Men and Matters	14	Sutton Dist. Water	17
Arts	5	Mining Notes	12	Comment Page 16	
Company News	16-18	Money Market	26	**ANNUAL STATEMENTS**	
Crossword	2	Overseas News	4-6	Bristol Waterworks	16
Entertainment Guide	2	Parliament	12	Cardinal Investment	16
Executive's World	13	Racing	2	Crescent Japan Inv.	16
Farming and Raw Materials	25	Saleroom	2	Gande, Durrant and Murray	18
Foreign Exchanges	22	Share Information	26 & 27	Gevans Consolidated	8
FT-Actuaries Indices	26	Stock Exch. Report	26	Landesbank Schleswig-Holstein	4
FT Clipper Race	2	The Technical Page	10	Sec. British Assets	17
Gardening	2	To-day's Events	15	Telephone & General	17
Home News	8 & 9	TV and Radio	2	Unilever	18
Intl. Company News	19	Unit Trusts	25		
Labour News	12	Wall St. & Overseas	22		
Leading Articles	14	Weather	28	Base Lending Rates	24
Letters	15	World Trade News	4		

For latest Share Index 'phone 01-246 8026.

GARDENS TO-DAY

The exquisite quince

BY ROBIN LANE FOX

BEFORE I discuss quinces, there are one or two points to be acknowledged. My thanks to all those who have sent photographs or descriptions of the wild winter Iris (*Unguicularis*) in flower in its native Algeria; it is one more proof of the welcome fact that national tourist offices usually overlook the most desirable sights in their home countries. A gentleman has also written to explain how he *enjoys this winter* iris in bowls in his house, whereas mine always wilt within a day of their arrival indoors. He picks them when the buds *are still tightly* rolled; I suspect that he does not pick them so much as pull them, the correct procedure to follow this iris's peculiar flower "stem." He even stores unopened buds in his fridge so that he can bring them on in a succession. I look forward to next winter so that I can try this too.

Orange glow

A word, too, about the new orange-leaved Mahonia Orange Glow. Mr. Sherrard of Newbury, its sole *supplier, writes to say* that he saw this new American variety in Holland but that it has not always coloured as brightly in his Newbury nurseries (*where the soil is alkaline*) as in Holland where it caught his attention. I have seen it in Dorset in a garden whose soil was certainly not limey; it was also in full sun.

I wonder, as he does, whether this may be a plant which is at its brightest on acid soil. Yellowed leaves are more *naturally* associated with high alkalinity, but this plant is not a case of creeping chlorosis. Among the many readers who have ordered it, I hope that some will be able to experiment and find its favourite conditions. News will be welcome.

Now for the quinces. I have always wanted to grow quince *trees because of their leaves*, flowers, fruit and exceptionally romantic associations. I have never been able to persuade any friend who gardens on the slightly acid soil which they are sometimes said to prefer. But I have now found a flourishing quince tree at the bottom of a garden on the hill which faces mine. If it will grow there, I hope that it will grow over here too. I believe that it likes a soil which is not too dry and that moisture is more important than the absence of lime. It should be happy in a bed where my drains overflow from time to time. The quince's dislike of lime may yet turn out to be a half-truth.

Were quinces the famous Golden Peaches of Samarkand which travelled with traders north-east from the river Oxus through the intervening deserts of the Silk Road to the centres of seventh-century Tang China where they fascinated the aesthetic sense of the Chinese? I think they probably were, *because the texture of the* quince's fruit is silky and its shape is particularly suggestive. The first, perhaps the finest, quince-poem compares them with the skin and attributes of young Greek ladies: there is a story, later, that the Chinese bred their own "golden peaches" by grafting a peach and a persimmon, but I do not think this refers to the original "Golden Peach."

The quince grows in central Asia: I like to think of its first arrival in the exquisite circles of Tang China, *where it would* have been the companion of the dances and new music, furs, jewellery and radical religions which burst on Chinese society *from* their source in the distant West away beyond the White Dragon Dunes and the Mountains of Heaven. The thought sustains one's interest in a quince-tree even when it has lost its leaves.

In England, the quince is hardy. A warm summer encourages its fruit but the flowers, which I consider to be charming, will appear freely in most seasons. In Yugoslavia I have *seen quince-orchards, perhaps for* the purposes of jam, as I would not care to eat raw quinces. A *Yugoslavian variety is in many* respects the best. Called Vranja, itis vigorous and fruits freely and early. It has the further merit of colouring most hand*somely in autumn until the tree* seems as golden-yellow as its fruits. The variety called Champion is said to bear heavier crops of larger fruit as a young bush: *I do not know it, but I* do know that in warmer gardens in the south there would be much to be said for the Portugal quince called Lusitanica. This tall tree bears especially silky fruit but is probably not to be trusted in very cold winters. In the circumstances, I am prepared to follow *the Yugoslavians who make a* living from quinces and therefore I have planted Vranja.

Quinces grow into a tangle unless you prune them during *their first few winters.* Space them about five yards apart and trim their branches back to half their previous season's growth in the winter after planting them. Presumably you will buy trees at least three years old, so further training should be unnecessary. Keep them to a tidy shape as standards by pruning any sideshoots which it tends to throw out from its main stem. Above all, feed the trees generously with manure because they like to eat well; a top-dressing of sulphate of potash in spring *encourages them.*

Compensations

I am fond of the rounded greyish-green leaves on an ageing semi-standard tree, about ten feet high and as much across. But when it flowers, I am captivated by it. Single, pinkish white flowers like enlarged apple blossom show up all over its branches *in mid-May.* There were many compensations to a life in Central Asia, and wild quinces *were certainly one of them. The quince is much* favoured as a grafting stock for other varieties of fruit. On the other hand it is favoured by this gardener as the queen of all fruit trees, scented and silky in its fruits and quite irresistible in flower and outline.

SNOW REPORTS

	Depth (cms.) L	U	State of Piste	Weather	°C
Andermatt	25	140	Fair	Fine	5
Igls	40	60	Fair	Fine	5
Isola 2000	180	200	Good	Fine	12
Murren	60	145	Good	Fine	7
Niederau	18	37	Fair	Fine	3
St. Anton	39	275	Good	Fine	6
Tignes	30	100	Fair	Fine	4
Val d'Isere	60	160	Fair	Fine	2
Verbier	15	75	Fair	Fine	3

The above reports are supplied by the Ski Club of Great Britain. L—Lower slopes. U—Upper.

SWITZERLAND

Adelboden	25	70	Spring	Fine	0
Grindelwald	30	65	Good	Fine	—1
Gstaad	20	85	Spring	Fine	10
Leysin	20	90	Spring	Fine	1

SCOTLAND

Cairngorm—Main runs: Few complete, others broken. Lower slopes: Limited nursery areas. Spring snow. Vertical runs 1,400 feet. Access clear. Snow level 2,000 feet.

Glenshee—Main runs: None complete, snow cover patchy. Lower slopes: Limited nursery areas. Wet snow. Vertical runs 800 feet. Access clear. Snow level 2,100 feet.

Glencoe—Main runs: A few complete, others broken. Spring snow. Lower slopes: Little or no snow. Vertical runs 1,000 feet. Access clear. Snow level 2,800 feet.

Forecast: Dry, sunny spells. Freezing levels rising to 5,000 feet. Wind strong.

RACING — BY DOMINIC WIGAN

Strombolus set for revenge

SNOW FLYER and *Strombolus*, who confirmed their status as probably the best five-year-old hurdlers in the country when fighting out the finish to Newbury's 27-runner Ogbourne Hurdle three weeks ago, renew rivalry in to-day's Orpington Hurdle (2.30) at Lingfield.

Strombolus, who failed by 2½ lengths to hold off Snow Flyer on the Berkshire course, where the pair met on level terms, now has a 7 lb. pull in the weights.

His connections are confident that he has improved since that run, and in what seems sure to be another fine race between the pair, I take Strombolus, an *easy winner at Navan before his* Newbury outing, to gain his revenge.

Even if he cannot land the Orpington Hurdle with Snow Flyer, the Uplands stable jockey, John Francome, should have at least one winner. The Richard Head pair *Rathrilly* and *Red Vase*, who respectively go for the Hidden Mystery Chase (3.00) and the Medway Hurdle half an hour later, are both well-fancied.

The first-named, who won the Hidden Mystery a year ago, will not find it easy to reverse recent running in the Jerry M. Chase here with Sydney Carton. Nevertheless, he is certain to have *progressed considerably* since that outing—his first of the season—and may prove up to causing a surprise.

LINGFIELD

2.00—Mr. Batnac
2.30—Strombolus***
3.00—Rathrilly*
3.30—Red Vase
4.00—Willy What
4.30—Ophucheus

WETHERBY

2.45—Lothian Brig
3.15—Midao**
3.45—The Gent

Turning to Wetherby, where *The Gent* is taken to defy top weight of 11 st. 7 lbs. in the Thorner Chase (3.45), Midao is a reasonably confident choice for the Harewood Four-Year-Olds Hurdle (3.15). This event was won a year ago by Midao's illustrious stablemate, Night Nurse, who retained his unbeaten record for the season at Doncaster yesterday with his success in the Corporation Challenge Trophy.

Racehorses of 1975, the latest in the long line of encyclopaedic *Timeform annuals*, has now been published by Phil Bull's Portway Press.

By far the most eagerly awaited racing book of the year, Racehorses has never failed to live up to its exalted reputation. The 1975 edition is no exception. It deals individually with every horse that ran under Jockey Club Rules in *1975* (6,285 animals) and also examines over 250 French and Irish horses, some of whom did not race in this country.

Nearly all the horses listed in the 1975 edition receive the famous Timeform figure rating which is so invaluable to serious backers weighing up form, and in addition there are *lengthy* essays on some 120 top-class horses.

Racehorses of 1975, which contains nearly 1,000 pages and some *350 photographs*, is available at £12.50p, including postage, from Portway Press, Timeform House, Halifax, West Yorkshire HX1 1XE.

SALEROOM — BY ANTONY THORNCROFT

Turners fetch £29,000

ENGLISH DRAWINGS and watercolours and Chinese export porcelain were two areas of the art market which looked a bit *groggy* during the depths of the recession a year or so ago, but yesterday at Christie's both sold extremely well.

The watercolours made £112,280, with 98 per cent. of the items sold. The second day of the export porcelain sale was equally impressive, contributing £136,340 to a grand total of £305,630.

Interest in the watercolour sale was concentrated on two Turners, and they did not disappoint. They sold for £13,000 each, as against the £8,000-*£12,000 forecast, and were both* bought by Agnew.

The view of Lake Lucerne from Brunen, a work of 1828, has a Christie's history. It sold there for £157 15s in 1887 and for £420 in 1908. The other work was of the Lake of Thun and is dated 1836-40.

Another early Turner watercolour, of Christ Church Cathedral, Oxford, was bought by Christ Church College for £3,000.

Other notable prices were the £7,500—comfortably above forecast—paid by the Fine Arts Society for an 1851 watercolour by John Martin entitled "The Traveller;" the £5,000—almost double the estimate—paid for David Roberts's "Jerusalem from the Mount of Olives" by the Brook Street Gallery; and the £3,800 from Basket and Day for a drawing by Gainsborough of "Travellers on Horseback."

The same pattern of prices generally just above expectation was repeated at the export porcelain auction. A pair of rare rose imari mandarin ballaster vases and covers, produced around 1720, went to a private buyer for £12,500, while a famille rose goose tureen was bought by M. Hogg for £10,000.

Other good prices were the £7,200 achieved by a pair of famille rose mandarin vases and dommed covers and the £7,000 paid for a famille rose armorial - shaped oblong octagonal tureen cover and stand, with the arms of Saldanha de Albuquerque.

Three relics of boatswain John C. Brown, who was at the Battle of Trafalgar on board HMS Neptune, sold for £1,500 at Phillips yesterday. The navy was an active bidder in the shape of the wardroom of HMS Nepturne from the Clyde Submarine Base, but the items went to Haywards, the London medal specialists. The relics included a 1,600-word diary of the battle, Brown's naval General Service Medal and a George III bosun's Call, or Pipe.

They had been estimated at £1,000.

All told the arms and armour sale at Phillips realised £17,629, with Jenkinson giving £1,200 for an *18th century court sword.* The furniture sale brought in another £53,600. A pair of late 18th century dwarf open cabinets went to Turpin for £2,400, and Lardner paid £2,100 for a William and Mary marquetry chest.

An 1850's camera in a remarkable state of preservation, complete with its negative plates and bottles of chemicals, is to be sold at Sotheby's Belgravia on March 19. The binocular stereoscopic daguerreotype wet plate camera is believed to be the earliest of its type existing in the U.K. It has been dated to 1854 by one of the slides showing an Ilfracombe church still under construction.

On April 30, Bonhams is holding its first auction of pot lids, fairings, goss, stevengraphs and Baxter and Le Blond prints. In order to encourage vendors Bonhams is only charging £1 a lot for the inaugural sale. Entries will close on April 8.

FT CLIPPER RACE BY ALEC BE

Anaconda II coul sail in on Sunday

ALTHOUGH RADIO contact has not improved, the Australian ketch, Anaconda II, is thought to be approaching south west Biscay and should reach Dover either next Sunday or *Monday if* she can maintain an average speed of 200 miles per day. She will be the second yacht to finish the Financial Times Clipper Race, won decisively by Great Britain II last Wednesday night.

The Dutch yacht, The Great Escape, is now 600 miles south of Cape Verde Islands, badly headed by the north-east trade winds, while Kriter II, which started again from Sydney 27 days after the others is now across the equator in heavy rain and fog a mere *600 miles astern* of the Dutch and still two days inside Great Britain's record time for her voyage home.

No reports

There have still been no reports of radio contact or sightings of the Italians aboard CS e RB II since Lloyds of London requested merchant *ships to* relay any contact to London.

She is said to be relying on a very small range radio with a voice co tion distance of little 50 miles. She is est be in the vicinity of th and the next area in is likely to be contac Cape Verde Islands should pass within the or five days.

The French crew hav their congratulations le lender and his tea Great Britain II, a appreciation has been with hopes that the F a fast passage—but, British crew hope it just a little too fast.

Great Britain II Dover last night for where she will m before sailing up the morrow for her w Tower Pier in the aft

Latest positio

Anaconda II—March mated) 43N, 17W.
The Great Escape—Fe p.m. 7N, 31W.
Kriter II—March 2, at 25W.
CS e RB II—No re Falkland Islands, Fe

Last year Britons took 1m. more foreign holi

BY ARTHUR SANDLES

THE BRITISH remained firm in their determination to have *foreign* holidays last year, in spite of the fact that the recession was biting hard. Latest figures show that while holidays taken by the British in the U.K. fell by 500,000 to 40m. in 1975, the number of overseas holidays taken by U.K. residents rose from just under 7m. to 8m.

The British Tourist Authority figures make depressing reading for domestic hoteliers, but may provide optimism among tour operators and others taking the *British abroad.*

In 1975 average total spending on holidays abroad was £133, which was 24 per cent. up on the 1974 figure. The rise for spending in Britain was only 17 per cent., and almost certainly well below the inflation rate in the catering industry.

Total expenditure by the British on holidays in Britain reached £1.27bn. in 1975, while spending abroad rose to £1.08bn. —46 per cent. up on 1974.

Spain remained the most popular foreign destination, with 19 per cent. of all holidays (of four nights or more) including a stay in mainland Spain, with 9 per cent. more s Majorca and a further in Minorca and Ibiza.

France was second larity with 14 per ce market. Italy had 7 and West Germany 5. A little over half the were in the form of tours.

An interesting devel the market is that the of business declined i the first time in many 66 per cent. In 1974 it for 71 per cent. of bu

The West Country the most popular desti Britons holidaying in Some 23 per cent. of a had some time there The South East's co figure was 15 per cen had 15 per cent. and had 12 per cent.

The homes of friend tives were used on 28 of all British holidays, hotels attracted 16 per unlicensed hotels o houses 11 per cent caravans were used o cent. and rented accom on 10 per cent of the t

TV/Radio

† Indicates programme in black and white.

BBC 1

7.05 a.m. Open University. 9.15 For Schools, Colleges. 10.45 You and Me. 11.00 For Schools, Colleges. 12.45 p.m. News. 1.00 Pebble Mill. 1.45 Teddy Edward. 1.50 The Mister Men. 2.01 For Schools, Colleges. 3.30 Day and Night. 3.58 Regional News (except London). 4.00 Play School. 4.25 Deputy Dawg. 4.30 Jackanory. 4.45 Screen Test. 5.05 John Craven's Newsround. 5.15 Rocky O'Rourke. 5.40 Captain Pugwash.

5.45 News.
6.00 Nationwide.
6.45 Men of Action: "Ride, Vaquero!" starring Robert Taylor and Ava Gardner.
8.15 Dave Allen at Large.
9.00 Party Political Broadcast on behalf of the Conservative Party.
9.10 News.
9.35 Sportsnight.
10.55 To-night.
11.30 Weather/Regional News.

All Regions as BBC 1 except at the following times:—

Wales—5.15-5.35 p.m. Mae Gen I Stori. 5.35-5.45 The Clangers. 6.00-6.45 Wales To-day. 6.45-7.15 Heddiw. 7.15-7.45 Pobol y Cwm. 7.45-8.15 Steptoe and Son. 11.30-12.00 Time Wipe. 12.00 News and Weather for Wales.

Scotland—10.23-10.43 a.m. and 2.40-3.00 p.m. For Schools. 6.00-6.45 Reporting Scotland. 9.25-10.55 Sportscene. 11.30 News Summary and Weather for Scotland.

Northern Ireland — 10.23-10.43 a.m. For Schools: Ulster in Focus. 3.10-3.58 p.m. Racing from Downpatrick. 3.58-4.00 Northern Ireland News. 6.00-6.45 Scene Around Six. 10.45-11.15 Spotlight on what matters to people in Northern Ireland. 11.15 News and Weather for Northern Ireland.

England—6.00-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth).

BBC 2

6.40 a.m. Open University.
10.25 Nai Zindagi Naya Jeevan.
11.00 Play School.
5.00 p.m. Open University.
7.05 On Union Business.
7.29 Weather.
7.30 Newsday.
8.00 Gardeners' World.
8.25 Arena: Theatre.
9.00 Party Political Broadcast on behalf of the Conservative Party.
9.10 The Barry Humphries Show.
9.55 Just a Nimmo.
10.25 "Sizwe Bansi Is Dead."
11.40 Newsnight.
11.55 Closedown: Peter Jeffrey reads "Bedtime Story" by George MacBeth.

LONDON

9.30 a.m. Schools Programmes. 12.00 The Adventures of Rupert Bear. 12.10 p.m. Rainbow. 12.30 Mr. and Mrs. 1.00 First Report: News, *FT index.* *1.20 Lunch-time* To-day. 1.30 Crown Court. 2.00 Good Afternoon. 2.30 Couples. 3.00 About Britain. 3.25 There Goes That Song Again. 3.55 General Hospital. 4.25 How. 4.50 The To-morrow People. 5.20 The Flintstones.

5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 *This Is Your Life.*
7.30 Coronation Street.
8.00 Man About the House.
8.30 Up the Workers.
9.00 Sez Les Special.
10.00 Party Political Broadcast on behalf of the Conservative Party.
10.10 News.
10.40 The Wednesday Special.
11.35 Wrestling.
12.05 a.m. *What the Papers Say.*
12.20 Crime, Gentlemen, Please.

All ITV Regions as London except at the following times:—

ANGLIA

1.25 p.m. *Anglia News.* 2.00 *Houseparty.* 5.20 Hogan's Heroes. 6.00 About Anglia. 12.05 a.m. A Programme for Ash Wednesday.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 5.20 ATV Today I, including Junior Police Five. 6.05 ATV Today II.

BORDER

12.30 p.m. Untamed World. †1.20 Border News. 5.20 The Rovers. 6.00 Border News and Lookaround. †12.05 a.m. Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 5.20 Loggins and Messina. 6.00 Channel News. 6.10 The Amazing Chan and the Chan Clan. 10.00 Vision U.S.A. 12.05 Epilogue followed by News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 5.20 Thrillseekers. 5.40 Cartoon Time. 5.45 Police Newsroom. 6.00 Grampian Today. 12.05 a.m. Evening Prayers.

GRANADA

1.20 p.m. This Is Your Right. 5.15 Take Kerr. 5.20 Crossroads. 6.00 Granada Reports. 6.30 University Challenge. 11.35 What The Papers Say. 11.55 Wrestling.

HTV

12.30 p.m. Bygones. 1.20 Report West Headlines. 1.25 Report Wales Headlines. 2.00 Houseparty. 5.20 Daily Fable. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 Survival.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.25-4.50 Rhifoddodau. 6.01-6.15 Y Dydd.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

†1.25 p.m. Road and Weather Report. 2.00 Housecall. 5.20 The Bark Family. 5.25 Crossroads. 6.00 *Scotland Today.* 6.30 The White Line. †12.05 a.m. Late Call.

SOUTHERN

1.20 p.m. Southern News. 2.00 Houseparty. 5.20 Gopher Broke. 5.25 Crossroads. 6.00 Day by Day. 12.05 a.m. Southern News Extra.

TYNE TEES

9.25 a.m. Starting Point. 1.20 p.m. Lunchtime News and Lookaround. 2.00 Women Only. *5.20 Today Before Six.* 6.00 Today at Six. 11.35 Chess Masterpieces. 11.45 Epilogue.

ULSTER

1.20 p.m. Ulster News Headlines followed by Lunchtime. 4.23 Ulster News *Headlines. 5.20 Out Of Town.* 6.00 UTV Reports.

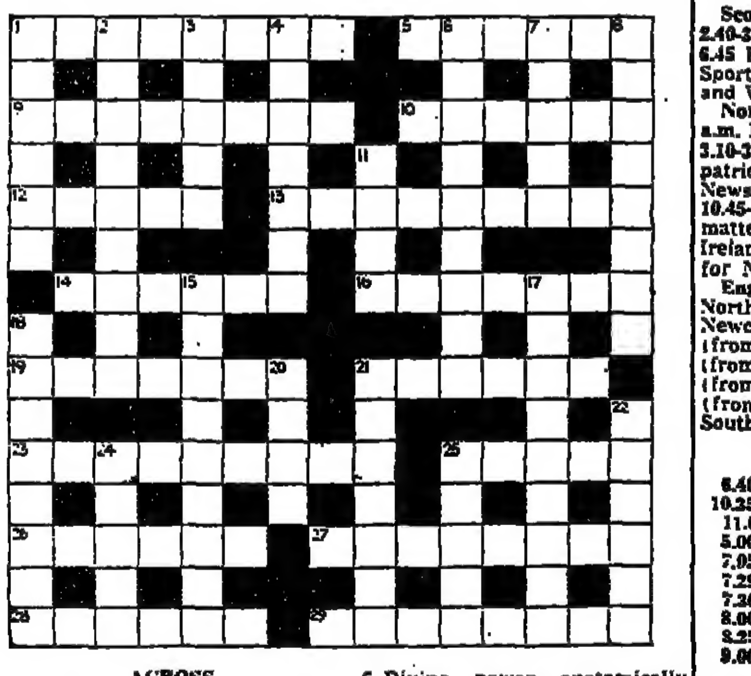
WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 5.20 Loggins and Messina. 6.00 Westward Diary. 12.05 a.m. Westward Late News. 12.08 Faith For Life.

YORKSHIRE

12.30 p.m. Bygones. 1.20 Calendar News. 5.20 *Calendar.* 6.00 Calendar.

F.T. CROSSWORD PUZZLE No. 3,020



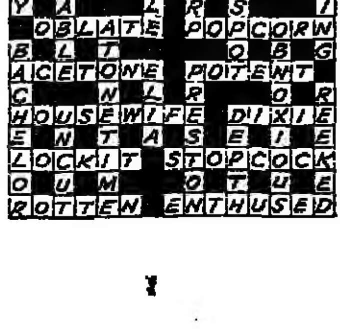
ACROSS

1 Angola I'd reform from one corner to another (8)
5 If in this it is certain — but *there may be a catch in it* (3, 3)
9 Not the heir, like Jacob (4-4)
10 Wool has point in the market-place (6)
12 A girl comes back with advantage (5)
13 To thwart one good man is unprincipled (9)
14 There's a wise guy after Violet, let's face it (6)
16 Cartoonist follows dean to find the poetess (7)
19 The bell makes the French turn back in the Scottish county (7)
21 The conclusion reveals noise in part of England (6)
23 They are expecting to be members (2, 3, 4)
25 Pale as a bird (5)
26 Silver is low down in craft (6)
27 Put crooner to bed for cheating (8)
28 "Errors, like —, upon the surface flow" (Dryden) (6)
29 Pacific town in Hants (8)

DOWN

1 Money needed to put Her Royal Highness on the stage (6)
2 Judging the Donkeys' Serenade (9)
3 The with it circle associated with the astronaut (5)
4 To put it concisely a newlywed takes in a note (7)
6 Divine power anatomically expressed (4, 2, 3)
7 Burst forth without a bean (5)
8 The general has to possess a place in Scotland (8)
11 It's a rising in the province (4)
15 The best we can do for our circle of friends (3, 2, 4)
17 Fasteners of 4ft. 2in. for the wheels (9)
18 Architectural features found in London, Paris, and Bonn (8)
20 Where to expect a bargain in Cheshire (4)
21 Prohibition therefore includes the reorganised British Medical Association (7)
22 Mystery found in game (6)
24 "Like the rugged Russian bear, the armed rhinoceros, or the Hyrcan —" (Macbeth) (5)
25 A doctor takes it on circuit (5)

Solution to Puzzle No. 3019



RADIO 1 — 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Paul Burnett. 12.00 Johnnie Walker, including 12.30 p.m. Newsbeat. 2.02 Party Political Broadcast on behalf of the Labour Party. 2.07 David Hamilton (S) (also on VHF). 4.30 It's DLT OK! 5.45 Newsbeat. 6.02 Sam Costa (S) (*joins Radio 2*) (5.02-9.30 as VHF). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S), including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin. 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S), including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.55 p.m. Good Listening (VHF). 2.02 Party Political Broadcast on behalf of the Labour Party. 2.07 David Hamilton (S) as Radio 1, but including on 1500m only (also 202m Scotland). 2.45 and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 Sam Costa (S), including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Pros and Cons (S). 7.30 The Great American Railroad. 8.02-9.30 European Soccer Special (1500m only). 8.02-9.30 All Time Hit Parade (S) (VHF only, also 202m Scotland). 9.30 Sing Something Simple (S). 10.02 Sports Desk. 10.05 Command Performance (S). 11.02 Joan Chalbs with The Late Show (1500m only, also 202m Scotland. VHF Joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 — 464m, Stereo & VHF

‡ Medium Wave only

7.00 a.m. News. 7.05 Your Midweek Choice, part 1: Haydn, Clara Schumann (S). 8.00 News. 8.05 Your midweek choice, part 2: Ravel, Britten, Mozart (S). 9.00 News. 9.05 This week's composer: Haydn (S). 9.35 Organ music (S). 10.20 Music for Guitar (S). 11.10 Llandaff Cathedral Concert, part 1: Stravinsky, Mendelssohn (S). 11.55 In Short—Talk: Schopenhauer and Music. 12.05 p.m. Concert, part 2: Beethoven (S). 1.00 News. 1.05 Concert Hall (S). 2.00 Royal Repertoire: Prokofiev's "Romeo and Juliet" (S). 4.00 Salzburg Festival 1975: *Mozart (S). 5.00 Choral Evensong.* ‡5.45 Homeward Bound. ‡6.05 News. ‡6.10 Homeward Bound (continued). ‡6.30 Life-lines: Language and Communication, part 19. 7.30 Emil Gilels piano recital: Mozart, Beethoven (S). 8.00 BBC Symphony Orchestra, part 1: Mahler (S). *8.50 The Arts Worldwide. 9.10 Concert,* part 2: Jonathan Harvey, Bartok (S). 10.15 A plea for human natural history (talk by Jonathan Miller). 11.00 Clementi piano recital (S). 11.25-11.30 News.

Radio 3 (VHF only)—6.00 to 7.00 a.m. and 5.45 to 7.30 p.m. Open University.

RADIO 4 — 434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the day. 6.45 Today including 6.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today including. 7.27 Sportsdesk. 7.35 Today's Papers. 7.45 Thought for the day. 7.50 VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today, including *8.27 Sportsdesk and 8.35 Today's Papers.* 8.45 Yesterday in Parliament. 9.00 News. ‡9.05 The Living World. ‡9.35 Finger on the pulse. ‡10.00 News. ‡10.05 In Britain now. 10.30 Daily service. ‡10.45 Morning Story. ‡11.00 News. 11.05 Sweet Songs of Zion. ‡11.30 Thirty-minute Theatre. 12.00 News. 12.02 p.m. You and Yours. 12.27 Brain of Britain 1976. ‡12.55 Weather and programme news. VHF (except London and SE) Regional News. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour (‡ from 2.00) including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre. 4.00 News. 4.05 The Devotees. 4.35 Story Time. 5.00 PM Reports. ‡5.50 Financial Report. VHF Regional News. 5.55 Weather: programme news. 6.00 News. 6.15 Oh, Get on with It! 6.45 The Archers. 7.00 News Desk. 7.25 Party political broadcast on behalf of the Conservative Party. 7.30 It's your line. 8.30 Wellington. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book at Bedtime. 11.00 The Financial world tonight. 11.15 Today in Parliament. 11.30 News.

For Schools (VHF only) 9.05 a.m. to 12.00 and 2.00 to 3.00 p.m.

BBC Radio London — 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Susie Barnes with Rush Hour. 9.00 Richard Vaughan with Downtown. 11.03 In Town. 12.03 p.m. David Simmons' Call In including 12.45 London News Desk. 2.03 Paul Owens with 206 Showcase. 4.03 In The News. 4.32 Tony Fish with Home Run including 5.00 and 6.00 London News Desk. 7.00 In Town. 8.00 Quest. 8.30 Soul 77. 10.03 Robbie Vincent's Late Night London. 12.00-12.05 a.m. As Radio 2.

London Broadcasting — 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 Brian Hayes. 1.00 p.m. Newswatch. 5.00 Newsbreak. 7.30 Jazz in Stereo. 9.00 Nightline. 1.00-4.30 a.m. Nightwatch—news every half-hour.

Capital Radio — 194m and 95.8 VHF

6.00 a.m. The Breakfast Show. 9.00 Michael Aspel. 12.00 Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 London Today. 7.30 Open Line. 9.00 Rock Show. 11.00 Tony Myatt. 2.00 a.m. Night Flight.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. (01-836 3161). ENGLISH NATIONAL OPERA Tonight and Sat. 7: Der Rosenkavalier; Tomor and Tue. 7.30: Idomeneo; Fri. 7.30: Tosca.

COVENT GARDEN. 240 1066. LA SCALA MILAN Tonight 7.30 La Cenerentola in the presence of H.M. The Queen and H.R.H. The Duke of Edinburgh. Patrons are requested to be seated by 7.15 pm. Tomor. Sat. and Tue. 7.30: Simon Boccanegra; Fri. and Mon. 7.30: La Cenerentola. 65 Amphitheatre seats for sale from 10 a.m. on day of performance.

SADLER'S WELLS TH. Rosebery Ave. EC1. 837 1672. (Recorded bkg. Inf. 278 5450) Until March 20. Evs. 7.30. Mats. Weds. and Sats. 2.30. D'OYLY CARTE in GILBERT AND SULLIVAN. Today: The Gondoliers; Tomor., Fri. and Sat.: The Yeoman of the Guard. Seats available 50p-£2.50.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Matinees Thurs., Sat. 3.00. VIRGINIA McKENNA JOSS ACKLAND A LITTLE NIGHT MUSIC Best MUSICAL of 1975 Awards.

ALBERY. 836 3878. Evenings 8.00. Saturdays at 4.0 and 8.15. Best performance by an Actress Evening Standard Award DOROTHY TUTIN TIMOTHY WEST DEREK JACOBI JOHN TURNER A MONTH IN THE COUNTRY "AN ECSTATIC EVENING." Sun. Tel.

ALDWYCH. 836 6404. Inf. 836 5332. Royal Shakespeare Company (Evenings 7.30, Matinees 2.0) Today (mat & eve) & Sat (eve) HENRY V Tomor. & March 9 HENRY IV Part 1: Fri. Sat (mat) & March 9 HENRY IV Part 2. RSC also at ROUNDHOUSE—See R.

AMBASSADORS. 836 1171. Evgs. 8.00. Matinees Tues. 2.30. Sat. 5.30. 8.30. HAPPY AS A SANDBAG THE WONDERFUL HIT MUSICAL "Delightful. Don't miss it." Daily Exp.

APOLLO THEATRE. 437 2663. Last 2 Weeks—must end March 13 RONALD PICKUP in The Award-winning comedies by ALAN AYCKBOURN THE NORMAN CONQUESTS BEST PLAY OF THE YEAR 1974 Evening Standard Drama Award LIVING TOGETHER Today 3.0. Fri., Mon. 8.15; R'ND & R'ND THE GARDEN Tmt. & Tu. 8.15. Sat. 5.30; TABLE MANNERS Tomor. 8.15 Sat. 8.30.

ARTS THEATRE CLUB. 836 2132. (Inst. temp. m'mship 15p). Tues.-Sun. 8. E. A. WHITEHEAD'S OLD FLAMES "AN ELECTRIFYING EVENT." Times.

CAMBRIDGE. 836 6056. Evenings 8.00. Wednesday and Saturday at 5.00 & 8.15 Michael DENISON. Derek GRIFFITHS THE BLACK MIKADO "Best Musical 76 and probably 77." S.Tm.

CASINO THEATRE. 01-437 6877. Evgs. 7.30. Mat. Wed., Th., Sat. 2.30. MUST END MARCH 13 DANNY LA RUE "Blazes a glamorous trail." Evg. News. In QUEEN DANNIELLA "Big, flashy comedy." Sunday Mirror.

COMEDY THEATRE. 01-930 2578. *Prev. tonight 8.30. Opens tomor.* 7.0. Subs. 8.30 Sat 5.0 & 8.30. ADAM FAITH in CITY SUGAR by Stephen Poliakoff

CRITERION. 930 3216. Evs. 8.15. Mats. Thurs., Sat. 5. Last 2 weeks. Tom Stoppard's ROSENCRANTZ and GUILDENSTERN ARE DEAD. "I strongly recommend it to anyone." Fin. Times.

DRURY LANE. 01-836 8108. Evgs. 7.30. Matinees Wed. and Sat. 2.30. MICHAEL CRAWFORD in BILLY A NEW MUSICAL "MICHAEL CRAWFORD A WHOPPING WONDERFUL STAGE STAR." *News of* the World. "HE AND HIS SHOW ARE A TREAT." Sunday Express.

DUCHESS. 836 8243. Evenings 8.0. Fri., Sat. 6.15 and 9.0. OH! CALCUTTA! NOW IN ITS 6th YEAR "Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel.

DUKE OF YORK'S. 836 5122. Mon. to Th. 8. Fri. and Sat. 5.30 and 8.30 p.m. LESLIE PHILLIPS ROY KINNEAR "Two of the funniest men of the British Stage . . . Laughs come thick and fast." ROGER'S LAST STAND OVER 100 PERFORMANCES

FORTUNE. 836 2238. Mon., Tues., Wed. & Fri. at 8. Thurs. and Sat. 6 and 8.30 p.m. An Enchanting New Musical THE LADY OR THE TIGER "A JOYOUSLY GOOD SHOW." Punch. "ENCHANTING MUSIC . . . A DELIGHTFUL ENTERTAINMENT." H. Hobson.

GARRICK. 01-836 4601. Evgs 8.15. Mat. Wed. 3.00 Sat. 6.00 and 8.40. RICHARD BRIERS "Marvellous." Gdn ABSENT FRIENDS "ALAN AYCKBOURN'S FINEST FUNNIEST PLAY." H. Hobson, S. Times.

GLOBE. 437 1592. *Prevs. tomor. Fri.,* Mon., Tues. 8.0. Sat. 5.0 & 8.15. Opens March 10 at 7.0. Subs. 8.0. Mat. Wed. 3.0. Sat. 5.0 & 8.15. TONY BRITTON. PETER BLYTHE. JILL MELFORD THE CHAIRMAN A Comedy by PHILIP MACKIE

THEATRES

GREENWICH. 858 7755. Evenings 8.0. Mat. Sat. 2.30. Morag Hood and Freddie Jones in THE BELLS.

GREENWOOD LONDON BRIDGE. March 8 to May 22. Festival du Theatre Francais. BECKETT from Mon; then Arrabal. Simultaneous Translation. Details from Box Office 403 0592.

HAYMARKET. 930 9832. Evenings 8.0. Mat. Wed. 2.30. Sat. 5.0 and 8.15. Edward Woodward, Geraldine McEwan, Jennie Linden, Edward Hardwicke in Frederick Lonsdale's ON APPROVAL "You should rush to see it." Dly. Tel. "It got my approval." Ev. News. "An evening of comic delight." Harold Hobson, Sunday Times.

HER MAJESTY'S. 930 6606. Evgs. 8. Mats. Wed. 3.30. Sat. 5.45 and 8.30. The New Hit African Musical IPI TOMBI "PULSATING MUSICAL." Evg. News. "The huge cast is superb." Sun. Times.

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30, 9.30. THE ROCKY HORROR SHOW "BEST MUSICAL OF THE YEAR." Evening Standard Drama Award.

LYTTELTON (National Theatre). 928 2252. Box Office open. Booking now for first-ever paid public performances 16 March to 30 April. For full details write (with s.a.e.) to Contact Dept., National Theatre, South Bank, London, SE1 9PX.

LYRIC IN REPERTORY. 437 3686. Today at 3.0 & 8.0 JOAN PLOWRIGHT, HELEN MIRREN, JOHN MOFFATT, FRANK GRIMES and PETER McENERY in THE SEA GULL Tomorrow to Wed. March 10 THE BED BEFORE YESTERDAY

MAYFAIR. 629 3036. OPENS HERE NEXT TUESDAY. Mon.-Thur. 8.15. Fri., Sat. 5.45 and 8.30. JAMES BOLAM, JANE ASHER, STEPHEN MOORE in CHRISTOPHER HAMPTON'S TREATS "SENSATIONAL." Sunday Times. "VERY FUNNY." Observer.

MERMAID. 248 7656. Food 248 2835. Evenings 8.15. Mat. Fri., Sat. 5.15. RICHARD BECKINSALE is "side-splittingly funny" (D. Mail) in FUNNY PECULIAR "Mike Stott's exceptionally fine, vastly entertaining, brilliant comedy." S. Times. "More good laughs than any other play in London." Observer. Seats from 75p. Dinner/Show £5.95.

NATIONAL THEATRE see under Lyttelton

PALACE. 437 6834. Mon. to Thurs. 8.00. Fri. and Sat. 6.00 and 8.40. JESUS CHRIST SUPERSTAR

PALLADIUM. 437 7373. Until Sat. *Evenings 8.00, Sat. 5.15 and 8.45.* Spain's International Super Star RAPHAEL

PHOENIX THEATRE SEASON 1976. Evenings 8.00. Mats. Thurs. Sat. 3.00. ROCK HUDSON JULIET PROWSE "I DO! I DO!" Last 2 weeks. Tel. 01-836 8611.

PICCADILLY. 437 5046. Previews from March 12 at 7.30. First Night March 23 at 7.00. BROADWAY'S LATEST HIT. JEROME KERN'S MUSICAL VERY GOOD EDDIE "IT TAKES OFF. IT FLIES. I REALLY LOVED IT." N.Y. Times.

PRINCE OF WALES. 930 8681. Opens Mar. 18 at 7.0 Prevs. Mar. 10, 11, 12, 15, 16 17 at 8.0. Mar. 13 at 3 and 8. MARDI GRAS

QUEEN'S. 01-734 1166. Evenings 8.0. Mat. Thurs. 3.0. Sats. 5.30 and 8.30. Winner of all the awards for BEST PLAY OF THE YEAR Michael GAMBON in Simon GRAY'S OTHERWISE ENGAGED Directed by Harold PINTER

RAYMOND REVUEBAR THEATRE. 734 1593. (7, 9, 11 p.m. incl. Sunday.) PAUL RAYMOND presents THE FESTIVAL OF EROTICA '76

REGENT. 323 2707. Evenings 8.30. Fri. and Sat. 7.00 and 9.15. 2ND YEAR OF SENSATIONAL STAGE SHOW OF THE 70s LET MY PEOPLE COME AN ADULT MUSICAL "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROUND HOUSE. "DOWNSTAIRS." 267 2564. HAMLET. Today, Fri., Tue. 1.30. Ton't., Sat. 7.30. MAN IS MAN. Tomor. and Mon. at 7.30.

ROYAL COURT. 730 1745. Evgs. at 8.0. Sat. 5.0 and 8.30. James Bolam, Jane Asher and Stephen Moore in Christopher Hampton's TREATS "SENSATIONAL." Sun. Times. "VERY FUNNY." Observer. Trans to Mayfair Theatre next Tues.

ST. MARTIN'S 836 1443. Evenings 8.00. Mat Tues. a 2.45 and Sat. 5.00. 8.00. AGATHA CHRISTIE'S THE MOUSETRAP World's longest-ever run. 24th YEAR.

SAVOY. 836 8888 - Evenings at 8.00. Mats Wed. at 2.30 and Sat. 5.00. Barbara MULLEN. Derek BOND in AGATHA CHRISTIE'S MURDER AT THE VICARAGE

SHAW THEATRE 01-388 1394. Last 2 weeks—Evenings 7.30. J. P. DONLEAVY'S THE GINGER MAN

THEATRES

STRAND. 836 2660. Ev Mats. Thurs. 3.00. Sats. 5.3 Doris Hare, McDonald Arthur Howard, Barry NO SEX PLEASE, WE'RE Directed by Alla D LONDON'S LONGEST LAUGH

TALK OF THE TOWN. 01 From 8.15 Dining and Danci New Revue SWEET TEM and at 11 p.m. LENA MARTELL

THEATRE ROYAL STRATFO 534 0310 Evgs. at 8. La C. G. BOND'S JUDGE JEFFREYS "EVERY DETAIL OF BRUTA AND SEXUAL OUTRAGE GIVE PLEASURE TO DEPRA ENCES." Harold Hobson. Sun

VAUDEVILLE. 836 9988. Evg Mats. Tues. 2.45. Sa 5.00 Margaret LOCKWOO Paul DANEMAN and Barr DOUBLE EDGE "IT IS FAR AND AWAY THRILLER IN TOWN."

VICTORIA PALACE. Opens March 8 at 7.0. Wed & Sat. 6.0 & LUISA ARANDA & JOSE A BALLET ESPANOL "STE

WHITEHALL. 01-930 Evenings 8.00 Sa 8.45 PAUL RAYMOND pre Britain's No. 1 Sex St FIONA RICHMOND COME INTO MY B

WINDMILL THEATRE. PAUL RAYMOND pre LET'S GET LAID Twice nightly at 7.00 an 2nd SENSATIONAL Y

WYNDHAM'S. 836 3028. Eve Sats. 5 and 8.15. Mats. W JIMMY JEWEL in COMEDIANS By Trevor Griffiths "The m play in London," Sun T Transfers from the Old MUST END NEXT MO

YOUNG VIC. MACBETH, AUNT, OTHELLO, FANTAS GROUND, ALL WALKS OF JOHN LENNON.

YOUNG VIC (by Old Vic). Tnt. 8 AS YOU LIKE IT.

CINEMAS

ABC 1 & 2 SHAFTESBURY 8861. Sep. Perfs. ALL SEATS 1: BARRY LYNDON (A). Wk 2.25, 7.55. 2: THE SUNSHINE BOYS (A Sun. 2.00, 5.30, 8.30.

CURZON. Curzon St., W.1. Burt Lancaster in Visconti's C TION PIECE (X). Film at 2.0 4.10, 6.20, 8.35. Late Show

EMPIRE, Leicester Square. HUSTLE (X). Progs. Daily 2 8.30. Sep. perfs. All seats No phone bookings.

LEICESTER SQUARE THEATRE, Robert Mitchum, Charlotte FAREWELL, MY LOVELY (A Wk. 1.05, 3.30, 5.55, 8.25 seats may be booked.

ODEON, Leicester Square. Jac. Nicholson in ONE FLEW CUCKOO'S NEST (X). Cont. 12.10, 2.40, 5.25, 8.10.

ODEON, Haymarket. (930 27 Dustin Hoffman "LENNY" progs Wk. 2.00, 5.15, 8.30. may be booked.

ODEON, Marble Arch. (723 THE KILLER ELITE (X). Sep. p 1.15, 4.45, 8.15. All seats booked.

PLAZA 1 & 2, Regent St., 6494. Sep. Perfs. All seats boo eve. perfs. Box Office 11 a.m. (not Suns.). No phone booking 1. JAWS (A). Daily: 1st Perf. Perf. 3.30, 3rd Perf. 6.00, 4th 2. JAWS (A). Daily: 1st Perf. Perf. 5.30, 3rd Perf. 8.00.

PRINCE CHARLES, Leic. Sq. 4 2nd Great Year. EMMANUELLE Perfs. Dly. (inc. Sun.) 2.45, 6. Lte Show Fri. & Sat.: 11.45. Se

RITZ, Leicester Square. 437 1 WINDOW TO THE SKY (A). Pr 2.00, 4.10, 6.25, 8.40.

SCENE 1,2,3,4. LEIC SQ (WARD 439 4470.

SCENE 1. Cont Dly. 12.30. Lte. and Sat. 11.45. Ken Russell's MANIA (X). Progs. 12.30, 2.20, 4 9.25. Late show Fri. and Sat.

SCENE 2. 2nd YEAR. THE E (X). Directed by William Fried Perfs. Dly. 12.30, 3.00, 6.15, 9 Show Fri. and Sat. 11.30.

SCENE 3. 2nd YEAR. THE TO INFERNO (A). Sep. Perfs. D 5.20, 8.40. Lte. Show Fri. and Sa

SCENE 4. Cont. Dly 1.00. Fri. and Sat. 12.00. Ken TOMMY (AA). Progs. 1.00, 3.4 9.15 Lte. Show Fri. and Sat.

WARNER WEST END. Leicester Square. Tel.: 439 079 1. HOUSE OF MORTAL SIN progs. 2.30, 5.30, 8.30. Last 2. THE MASTER GUNFIGHTE Sep. progs. 2.30, 5.30, 8.30. 3. OPERATION DAYBREAK (A progs. 2.30, 5.30, 8.30. 4. AL PACINO in DOG DAY NOON (X). Cont. Progs. 2.15, 5.

Television

The same only different

by CHRIS DUNKLEY

Julie Covington, Peter Gale, Charlotte Cornwell and Rula Lenska in 'Rock Follies' (Thames)

t was not intentional, of irse, but the way that Thames levision's new six part series ck Follies overlapped with the C2 series *The Glittering Prizes* s certainly very neat and isfactory. The ending on ednesday of Frederic Raphael's ies about himself and his mbridge contemporaries on C2 was threatening to leave nething of a hole in the view- week, but luckily the first Howard Schuman's series out an all-girl rock group went t the night before, so that rticular hole never had a oper chance to develop.

Which suggests (I hope) that ere appear to be similarities tween the two productions, a ggestion which may at first em surprising since *Prizes* was, rely, a rather "intellectual" ries, transmitted fairly late in e evening at a time when most ople according to television rveys are going to bed, and on e BBC's minority channel. hat's more, while *Follies*, broadsting on the ITV network, is viously reckoned to be a "pop" ries which is expected to have ass appeal—the 60-minute slot ead of *News at Ten* is one of e most advantageous in the iole of British television.

Clearly the two works do differ eatly from one another in a umber of ways, yet it is the milarities which seem to me ore significant.

I considered (as I said in this lumn) the first episode of *The littering Prizes* to be quite unually good television drama. owever, not one of the other e parts was on a par with that isode, and looking back now at the series has ended it is mpting to see Part 1 as a owerful single play and the her five episodes as an attempt spin off a serial from it. The vo most important factors were lot—the first part having a very owerful self contained story hich was quite unmatched in ny other episode—and, as beame more and more obvious ith the progress of the series, he presence or absence of Tom onti in the role of Adam orris.

Conti's importance was twoold: his performance throughut the series was magnificent o that any episode in which he eatured little or not at all eemed impoverished by comarison with the rest; and in ddition he represented, we are ssured, the playwright himself, nd in the end it became pretty lear that the autobiographical lement of this work was more mportant to Raphael than any ther. Thus any episode that acked Conti not only suffered rom the absence of his superb cting, but also in an important f peculiar way it lacked Raphael imself.

The easiest mistake to make about *The Glittering Prizes* and may be among those who have made it, is to take the series too eriously, to be over-impressed by the cost and the cast, to concur with the BBC's own estimate of its value and to accept the inflated claims of the publicity machine, which is to fall into a trap very similar to the one which the series itself leaped and stumbled around and perhaps into and perhaps out of. . . .

The series identified and illustrated in a brilliantly sparkling manner the dilettante attitudes and values of a certain Cambridge generation. It showed the "intelligence" so much valued by that generation: the wit; the heavy involvement in and the preoccupation with current values and affairs and mores; and underlying all this the fundamental lack of real concern for anything: the absence of genuine political conviction (in its broadest sense): the absence of religion; the absence of any ultimate values.

The Raphael/Conti/Morris figure was, as usual, spinning a thread of gossamer cynicism when in the last episode it was pointed out that his son was virtually a man and he responded "Yeah—wonder when it'll happen to me" (or words to that effect). But it seemed to me to be one of the few lines that had a great deal more than surface cleverness supporting it.

This was the extraordinary joke: that Raphael could with such minute accuracy identify and describe the wit and brilliance of his contemporaries, the combination of superficial concern with underlying lack of concern, superficial involvement and underlying absence of involvement—and do so in a series of plays which were themselves characterised by surface wit and brilliance, and a notable lack of any underlying concern other than a little worry about self.

It is a phenomenon that we have seen before, often enough now to find it quite familiar: we saw it in *Beyond The Fringe*, in *Private Eye* magazine, in the television satire movement of the early sixties, in the Establishment Club, in a great many modern novels and plays, and even in some modern poetry. It is an amalgam of wit and intelligence and a vivid and accurate insight linked to a useful desire to deflate the pompous and kick aside the outdated. The pity is that its practitioners have for some reason (perhaps fear of ridicule from their own kind, for it is an inward facing group always been too frightened to take up any kind of alternative position on the positive side. All the power has always been in the negative. So the outdated is healthily kicked aside— but nothing whatsoever is even suggested to take its place.

Yet having said all that it must be added that *Prizes* was immensely enjoyable. It *was* witty. It *was* intelligent. It *was* funny. And although I agree emphatically with the gist of the Richard Dimbleby lecture given last week by Sir Huw Wheldon, recently retired managing director of BBC Television, that really good television more often than not turns out to be really good story telling, which seems to imply after all that I have said that only Part 1 of *Prizes* was really good television, I would have to add that there are rare occasions when the manner of the telling is so brilliant that it becomes spell binding in itself even though the story turns out to be unimpressive.

That applied to *Prizes* which, in the end, could only tell us with almost incredible unoriginality that all that glitters is not gold. The manner of the telling was what counted, and I shall miss the sharp, dry, witty Raphael / Conti / Morris on Wednesday nights.

I shall console myself, however, with Rula Lenska, Julie Covington, and Charlotte Cornwell, the three would-be (and no doubt will-be) rock stars of *Rock Follies*. I said the two productions had important similarities, and the first is that they deal with my own post-war generation instead of that of Elizabeth I or Lloyd George or even Winston Churchill. Two drama serials set in the present is enough to declare a trend and I welcome it.

The second similarity is more surprising: just like *Prizes*, Schuman's *Follies* features the internal paradox: it is sending up the Dick Powell style Hollywood musical of the 1930s, satirising the supposed glamour of the world of musicals and showbiz by showing the reality of a bit of latter-day British bandwagon jumping with a ghastly hoofers' delight called "Broadway Annie" (either Schuman has or director Jon Scoffield has or they both have a marvellously accurate eye for the detail of this genre) and yet *Rock Follies* itself is simultaneously flogging the "glamour" of to-day's showbiz world of pop/rock for all it is worth and then some.

The irony and the paradox are made even more complicated by dutiful adherence to the convention that the Hollywood style musical is itself a "putting-on-a-show" show. Consequently it is possible in *Follies* to dissolve from an impressively staged fantasy rock concert sequence with the three girls in elaborate silver costumes on an elaborate silver staircase, into the reality of a 1976 rehearsal room, and to progress from there into the 1935 musical and—within that musical—find Annie discovering her intuitive tap dancing ability and being transformed from provincial innocent into Broadway star. The astonishing thing is that (provided you have seen a couple of American musicals and a couple of television programmes at some time in your life) none of this seems in the least difficult when you actually watch it. It is all within the conventions.

Finally, although Schuman may not be able to compete with Raphael when it comes to elegance of wit, *Follies* nevertheless has some very funny moments and some very funny lines. The boy friend of one of the girls is the sort of intense socialist who lies in bed reading "The Psychopathology of Imperialism in Trinidad" and is most put out when the girl remarks that "After a day of Broadway Annie, an evening of The Islington Nine and the Tolpuddle Martyrs sounds a bit heavy . . ." After six amusing Wednesdays it looks as though we are to have some amusing Tuesdays.

West Berlin theatre

The Hostage by RONALD HOLLOWAY

Erwin Piscator's Freie Volksbühne: West Berlin's loveliest theatre and one of the finest examples of modern, decorative theatre architecture erected in West Germany in the post-war period. Not to be confused with the Volksbühne on Luxembourg Platz in East Berlin (also a quite respectable theatre in the old, roomy style), the Freie Volksbühne can offer just about everything in the way of aesthetic comfort to the discriminating patron of the arts.

It's situated in the very heart of the Ku-Damm, *Stadtmitte* area, allowing ready access to restaurants and cafés—an important plus painfully absent from a night at the Berlin Opera or the Schiller-Theater, located some distance away in an office-building area. It is surrounded discreetly by trees and foliage, as though smuggled secretively into a small neighbourhood park to both accent and hide its charms, as well as to provide a welcomed respite on warm summer evenings during trying productions. It has an angular foyer enclosed in glass that encourages a stately promenade, and even on the outside passers-by or nocturnal visitors to nearby art galleries can catch a fleeting glimpse of a prominent wall-painting there of fiery, charging horses that chose to remain after a good run of *Equus* last season. And it has a separate refreshment appendage to which a full house of a thousand or more can retreat with ease during the pause. Not without reason is the Freie Volksbühne the flagship of theatre commerce on this cultural island during the festival seasons.

But the theatre cannot deliver the essential goods of the trade, at least not in the way German audiences are used to. It suffers a constant change-over of Intendanten who cannot solve the problem of the missing ensemble: in Germany, a theatre without an ensemble is like a grandfather clock without a tick. The job of gathering a dedicated troupe of actors to challenge the Schiller-Theater's ageing personnel, even on a commercially based, *en suite* arrangement, should have been the right and duty of the Freie Volksbühne (its independent-minded administration was originally founded to bring theatre to the masses)—but the honour fell instead to the Schaubühne am Halleschen Ufer.

Currently, Intendant Kurt Hübner is searching for the key to success in high-class boulevard theatre of a big name or *Tournee* character. The season began with his own production of Molière's *School for Women* with Ullrich Haupt is Arnolphe, its cool reception has encouraged the importation of an entire ensemble via Peter Zadek and a Bochum-stamped production of Brendan Behan's *The Hostage (Die Geisel)*. Zadek and Hübner are old comrades from Ulm and Bremen, where the same play went through the mill in pretty much the same fashion: lots of shenanigans, some showy tunes, and a couple of stars as drawing attractions. It's music hall with a Germanic twist—that is, highlighting a touch of Irish/British theatre with brogues and poses to sweeten up the evening. Anything of a social or political nature gets washed down with the tea.

The Bochum formula is well enough known here as a result of the annual *Theatertreffen* showcasing the season's trendsetters (not necessarily the best across the board). Zadek has also streamlined his troupe into stereo-typed roles, mechanical gestures, and familiar tone-falls: this allows for a faster production pace and the chance to leave the staid audience of the Ruhr city for greener pastures in Hamburg and Berlin on spot occasions. It appears that the Freie Volksbühne may develop in the future into a hook-up between Berlin and Bochum, as well as with other theatres. In other words, the theatre itself might be reserved as a "hostage" for the highest bidder.

Still, only by a far stretch of the imagination can this elegant edifice be mistaken as a music hall.

Long Wharf, New Haven

Streamers by HENRY POPKIN

There has been a new and surprising development in the career of David Rabe, who is among the more interesting young American dramatists. Hitherto, Rabe's name has been closely linked with that of Joseph Papp. Everything Rabe wrote for the stage had its professional debut at Papp's playhouses, first at the Public Theatre and then at Lincoln Center. Rabe's spare, uncompromising plays about Vietnam, *The Basic Training of Pavlo Hummel* and *Sticks and Bones*, helped to establish Papp as our leading theatrical entrepreneur. When *Boom Boom Room* was coolly received at Lincoln Center, Papp assailed the critics and presented the play again in a new production at the Public Theater in the following season.

And now Rabe, having returned to something like his old subject matter, the American soldier confronted with Vietnam, is showing his old strength again, but this newest play has reached the world under new auspices: *Streamers* has opened at the Long Wharf Theater of New Haven, and it is directed by Mike Nichols. Nichols first won success as a director with Neil Simon's plays, but he has now done much else on the stage and in films. No one seems to know just how this new marriage of talents came about, except to say that Rabe brought his play to Nichols, who, in turn, brought it to the Long Wharf, and then Rabe left Nichols entirely alone to fashion the production.

Streamers is, basically, the story of four soldiers; two logically extraneous sergeants also saunter on to the stage, but they are choral, symbolic figures. Three soldiers share a living area in an army barracks in Virginia in 1965—Richie, who tries, not very consistently, to conceal his homosexuality; Billy, a good-natured fellow from the Mid-west, who is sure Richie can not be one of *those*; and Roger, a black soldier who instinctively knows all about Richie but does not think such things matter.

An outsider intrudes, Carlyle, a coarser black soldier who has just completed—and hated—his basic training, fears being sent to Vietnam, and is ready to avenge himself on any inoffensive stranger for the bad hand life has dealt him. Two tubby old airborne sergeants wander in to sing "Beautiful Streamer" (to the tune of "Beautiful Dreamer"—"Beautiful streamer, open for me"), the song of a parachutist who hopes his chute will open—suggesting that all of us live on the edge of disaster. One of the sergeants is dying of leukaemia, thereby giving further emphasis to the instability of our lives.

Drunk and desperate for company, Carlyle spends a night sleeping on the floor, makes a nasty scene over Richie's homosexuality, organises a trip to a brothel for Billy and Roger, and begins an overt flirtation with Richie. That was when a few of the Long Wharf's more timorous clients began to look for the exits. Some spurts of violence sent a few others into the night, but those of us who remained saw the bloody conclusion, accidental and yet inevitable, of a shattering tragedy.

"Homosexuality is hardly the play's main subject," says a normally perceptive critic. But if homosexuality is not, then what is? The military condition precipitates the tragedy but does not create it; it is, in fact, primarily Carlyle rather than the others who is responding to the pressures of army life. The key to everything is the play's variety of uncivilised attitudes toward homosexuality — Richie alternately flaunting and concealing it, Carlyle alternately playing the bully and the lover, Roger urging Richie to rise above it, and Billy dead set on ignoring the obvious. If Rabe is still writing about soldiers, at least he is now using their lives to comment upon more universal experiences than he dealt with in his first plays of army life.

In Tony Walton's simple, useful set, Nichols has created a convincing impression of the casual friendship of men without women, disrupted by the menacing Carlyle, played in a direful, larger than life performance by Joe Fields. John Heard as Billy and Herbert Jefferson Jr. as Roger convincingly show us ordinary humanity confronted with a primeval beast. If Peter Evans, in the role of Richie, is not as effective, that is perhaps because he does not preserve the mystery of Richie's sexual inclinations as long as he should. But, beyond any doubt, *Streamers* makes it clear that Rabe's sudden fame of a few years ago was no flash in the pan.

Leonard Burt

David Horovitch, Freddie Jones and Morag Hood in the new production of 'The Bells' at the Greenwich Theatre, which opened last night

Palladium

Raphael

by ANTONY THORNCROFT

For one week only there is a Spanish love-in at the Palladium. Raphael, a portly Ronnie Corbett kind of *hombre*, is titillating middle-aged ladies, and himself, with an impressively lengthy solo performance which embraces every aspect of the volatile Spanish character.

One moment he is St. Raphael, singing religious ballads and caught, crucified, in the spotlight; then he is *machismo* Raphael taunting an imaginary bull with his microphone lead; then romantic Raphael exciting spontaneous screams of "you're beautiful" and "I love you" from the audience; and then there is big-hearted Raphael, as he out-hams Hamlet with emotional tirades about "If we had only love" and "I believe." Indeed, during this last song, as he reached the line about being a star, a minor miracle occurred and stars appeared on the darkened back-cloth of the Palladium.

It *was* a minor miracle for, this apart, Raphael has to battle with a bare-looking stage and a rather rough orchestra. It was not one of the management's most extravagant nights and Raphael hardly compensates for the lack of show-girls and fire-eaters.

Anyone hooked on Spanish music after a torrid night in a little club in Marbella should keep away from this rather frenetic performance but for homesick Spaniards and admirers of hard-working entertainers a visit to the Palladium can be recommended. Raphael may duck some of the high notes but he sings well, earns his keep, and is a master of making a meal out of rather unappetising materials. He also takes his coat off an uncountable number of times.

Montreal Symphony Orchestra's debut in London

The Montreal Symphony Orchestra will visit London for the first time in May. Their concert will take place at the Royal Festival Hall on Wednesday, May 26, under the direction of Rafael Frühbeck de Burgos. Canadian artists, contralto Maureen Forrester and pianist Ronald Turini, will be the soloists.

Elizabeth Hall

Dallapiccola

by PAUL GRIFFITHS

Monday's London Sinfonietta concert, conducted by Gary Bertini, was a memorial retrospective in honour of Luigi Dallapiccola, who died just a year ago. The occasion was to have coincided with the presentation to the British Library of some autograph manuscripts of the composer, but I understand that those responsible could not see their way clear to providing the moderate token fee requested by Signora Dallapiccola. This unwillingness, together with the smallness of Monday's audience, suggests that Dallapiccola's music has yet to win, at least in this country, the admiration which it is already clear it deserves.

The programme for this tribute was chosen to show several aspects of his art. Chronologically it ranged from the second set of Michelangelo choruses (mid-1930s) to his last completed composition, *Commiato* (1972); and in terms of size there was everything from a short piece for voice and piano, *Rencesvals*, to the large-scale *Canti di prigionia* for chorus and percussion ensemble. There was, however, no example of the lyrical, sensuous, intricate Dallapiccola who composed a glorious sequence of vocal gems during the 1950s and 1960s, pieces which led to his finest achievement, the opera *Ulisse*. The only work played from this period was the *Piccola musica notturna* for small orchestra.

It was no accident, of course, that the remainder of the programme centred on the human voice. Though Dallapiccola was perhaps the first Italian composer since Vivaldi (discounting the cosmopolitan Busoni) to achieve international recognition of his concert works, he still had that old Italian fascination with singing. The early Michelangelo choruses show this at once in their mellifluous confections of sound for female voices (here four soloists) and a few instruments. With *Rencesvals*, written a decade later, Dallapiccola shows a marked broadening of scope: the text is taken from the *Chanson de Roland*.

Since Hannah Francis sang both this piece and *Commiato*—nicely, but with some ungainliness of tone at the top—it was tempting to make comparisons across almost three decades of Dallapiccola's career. A common agonised cry beyond words seemed to link the works: in *Rencesvals* an occasional eruption, in *Commiato* a lengthy outpouring of despair at each end. There is in these instances a nakedness of expression which Dallapiccola allowed himself most consistently in the public statement of protest he made in the war-time *Canti di prigionia*. Somehow this failed to come off on Monday.

Playwrights at Newbattle

There will be a conference of Scottish playwrights at Newbattle Abbey from March 26 to April 3. This is a workshop devoted to rehearsal and debate. Four full-length plays and three short plays will be considered, and they will all be presented in the state they have reached by the last day of the conference. Directors will include Hugh Hunt and Charles Marowitz.

Newbattle is only six miles from Waverley Station, Edinburgh, and transport will be available from there for those not living at the Abbey. Full details can be obtained from the Third Eye Centre, 350 Sauchiehall Street, Glasgow G2 3JD.

Festival Hall

Victoria de los Angeles

by RONALD CRICHTON

The last quarter of this recital was of a nature to draw a kindly veil over the memory of the rest. Light began to filter through when Victoria de los Angeles reached her native soil: the line, hitherto capricious, grew firmer, the rhythms sharper the unique colour like the bloom on a ripe apricot returned to the tone. This artist has long been example of the truth, sadly disregarded by many young singers (and some not so young), that voice and verse are indivisible, but she can only prove it to perfection in her twin mother-tongues, Castilian and Catalan.

Last Monday the Spanish group began with "Cantar del alma," a setting of St. John of the Cross by Mompou, who must surely, since the recent death of Oscar Espla, be the doyen of Iberian composers. Mompou writes with a precision which makes the limited scale of his music seem irrelevant — this apparently simple declamatory page creates an effect quite out of proportion to the number of notes it contains. Then there came ballads by Guastavino and Ginastera, minor song-writers from Latin America (Ginastera of course has written much in larger forms) but both unselfconsciously tuneful, two riotous pieces by Vives the *zarzuela* composer, and Nin's sardonic "El Vito."

The evening had originally been billed as an all-Spanish programme, but foolish counsels must have prevailed, and instead of the repertory which she does so well and which suits her voice in its present stage, Mme. de los Angeles embarked on Mahler, Wagner (two of the Wesendonck songs), Strauss and—forsooth—three arias by Gluck to start off with, including "J'ai perdu mon Eurydice" and from *Alceste*, "Divinités du Styx." One must salute the courage which prompted the artist to learn these major items at such a juncture but in music as in other things discretion can be the better part of valour.

The Gluck arias were given in French, the German songs in the original, but neither texts nor vocal lines were coming easily. French again for two of Duparc's most exacting, heavily charged *mélodies*, "Extase" and "Phidylé," and lighter things by Reynaldo Hahn. "Si mes vers" was there ever such an assured teen-age prodigy as Hahn (no wonder he later wrote such fitting music about the young Mozart) and "L'enamourée." Unfortunately, the emotional weight of Duparc was carried over to Hahn with rather lugubrious result. Geoffrey Parsons was the admirable accompanist.

WORLD TRADE NEWS

Sweden, Norway to share oil and petrochemicals

BY WILLIAM DULLFORCE STOCKHOLM, March 2.

THE SWEDISH and Norwegian Ministers of Industry have agreed during the Nordic council meeting in Copenhagen at the week-end to co-ordinate the two countries' oil and petrochemical industries. A joint committee is to report by November on refinery alternatives, a new cracker project and the distribution of Norwegian oil products in Sweden.

The agreement meets a long-standing Swedish Government desire to secure oil supplies by obtaining access to Norwegian offshore oil production. Until now the Norwegians have been reluctant to make commitments.

The Swedes have postponed for one year decisions on the expansion of the state-owned Statsraff's refinery capacity at Brofjord in West Sweden and on a new ethylene cracker plant at Stenungsund.

The committee will now examine joint investment alternatives, either expanding the Norwegian refinery at Mongstad or building a new refinery at Brofjord. The plan for a cracker at Stenungsund will be compared with the possibility of building a plant based on wet gas from the Statfjord field at Sotra near Bergen in Norway to supply both countries' petrochemical industries. The Norwegians are already building a petrochemical complex at Bamble in southern Norway.

The new Norwegian Minister of Industry, Mr. Bjartmar Gjerde, has also discussed natural gas supplies with the Danes. He underlined that the Nordic countries individually do not present a large enough market for the 250bn. cubic metres gas reserves already proved in the Norwegian Statsfjord, Heimdal, Sleipner and Odin fields.

The Norwegian Parliament will be asked this spring to approve a project study into the possibility of laying a giant north-south submarine pipeline to collect gas from these fields, but, Mr. Gjerde pointed out, competition for the gas could be expected from Britain and the Continent, where gas distribution networks already existed. If the Norwegian Parliament approved the plan, the pipeline could be operative by 1983.

Franco-Bahraini pact

BY ROBERT MAUTHNER PARIS, March 2.

FRANCE AND Bahrain will shortly conclude an economic and technological co-operation agreement, the Emir of Bahrein, Sheikh Isa Bin Sulman Al-Khalifa, announced here to-day, without giving further details, after talks with President Giscard d'Estaing.

The Emir, who arrived here last night on a three-day official visit, also said that President Giscard had agreed to pay a return visit to Bahrain in the near future, during which the agreement will probably be signed.

Separate talks between Ministers of both sides have already resulted in the signature of a number of agreements including a contract for the construction in Bahrain of a tower unit for a desalination plant by the large French engineering company, St. Gobain Pont-a-Mousson.

Several other French industrial concerns are also known to be bidding for a share in Bahrain's economic development projects, such as the construction of a 50-kilometre causeway linking the island Emirate with Saudi Arabia.

Apart from discussing trade and economic relations, the two leaders had an exchange of views on the Middle East political situation and appeared to have reached a large measure of agreement.

N. Zealand curbs hit car imports

By Dai Hayward

WELLINGTON, March 2.

SALES OF British cars will be affected by the new restriction imposed in the special mini budget introduced by Prime Minister and Finance Minister Robert Muldoon.

From to-night New Zealanders must pay cash for new cars and light trucks. Except for special exemptions including farm work it will be illegal to receive loans to purchase new cars. Second-hand cars have tighter hire purchase conditions and must be paid for in 12 months.

There will also be tighter hire purchase on television sets with deposits up from 10 to 60 per cent.

In addition, the Government has carried out extensive changes in interest rates and bank borrowing. To encourage savings, interest rates have been raised on post office savings, trading bank and savings bank deposits by one and a half per cent, to eight per cent. Trading banks have been given more freedom to compete with other finance houses by offering better interest rates.

The Government has reviewed its monetary and financial policy and introduced new regulations with the aim of encouraging savings, curtailing internal spending, and cut imports.

British car manufacturers took more than half the New Zealand market last year, but only just, with 50.77 per cent. of all new cars registered in 1975. However, British cars have been losing ground to Japanese and Australian vehicles and last year the Japanese moved into second place with 27.12 per cent. of the market — Japanese exporters are agitating for the removal of the tariff preference on U.K. cars, which gives them a price advantage.

British car sales were helped last year with the heavy sales tax imposed on large models. As part of the oil economy drive, the New Zealand Government imposed a 60 per cent. sales tax on cars over 2,700 cc. This knocked Australian car exports, which up until then had out-sold the British cars over several months.

Britain sells more to Germany

BY NICHOLAS COLCHESTER BONN, March 2.

THE FIGURES for bilateral trade between Britain and West Germany in 1975 show an encouraging improvement in Britain's export performance. The British share of total German imports increased from 3.5 per cent. in 1974 to 3.8 per cent. in 1975. It was also notable that while the import share of British manufactured and agricultural products increased, Britain's share of Germany's imported raw materials and semi-manufactured products fell.

Germany's total imports from Britain last year were DM6.94bn. (c.i.f.) compared with DM6.26bn. in the previous year. Of this total DM4.95bn. were manufactured goods—up 22.5 per cent. from DM4.04bn. in 1974 and DM528m. were agricultural products — up no less than 119 per cent. from DM241bn. in 1974. The overall increase of British imports to Germany of 10.8 per cent. compares with Germany's overall import increase of 2.6 per cent.

This over-proportional increase suggests that the price competitiveness of British products is having an impact, aided perhaps by the fact that 1975 was a better year for strikes in Britain and that in a time of recession it becomes easier for companies to keep to their delivery commitments. The 22.5 per cent. increase in Britain's wholly manufactured exports to West Germany also suggests that the country's improved performance has taken place in the right area.

Among the manufactured goods sold to West Germany particularly large gains were achieved in rubber good (67 per cent. to DM143m.), aircraft and motor vehicles and parts (51 per cent. to DM321m.), electrical machinery and equipment (24 per cent. to DM523m.). Though these were the largest identifiable absolute increases, machinery sales in general rose substantially and increases in Britain's share of German imports were the rule rather than the exception.

Meanwhile German exports to Britain fell last year by 8.3 per cent. to DM10.1bn. (fob) and cut West Germany's crude surplus with Britain by one third to just over DM3bn. The fall compared with Germany's overall drop in nominal exports of 3.8 per cent. Germany's problems in Britain last year are a reflection of the recession in Britain, but also perhaps of the competitive disadvantage of high priced German products on the British market.

UNCTAD

A three-pronged defence is vital

BY DAVID EGLI IN GENEVA

A GLOBAL reduction of tariffs as a result of the present round of multilateral trade negotiations could make the trade prospects for developing countries worse rather than better through the erosion of preferential margins now available under the Generalised System of Preferences, according to the secretariat of the UN Conference on Trade and Development.

Ironically, this warning comes just at the time of the entry into force of the U.S. scheme bringing into effect all preference arrangements negotiated by UNCTAD. But, as is tacitly stressed in a document made available to the latest meeting of the UNCTAD special committee on preferences, defensive action must be taken in the early negotiating stages of the Tokyo round.

In general terms UNCTAD recommends a carefully modulated posture on the part of developing countries, making full use of what it calls the "continuum of intermediate possibilities involving some combination of most-favoured-nation reductions and the maintenance of preferential margins." This means a three-pronged defence of the vital trade interests of developing countries. In some instances, it is recommended, these countries should push for the deepest possible tariff cuts, in others they should seek minimal cuts. In all cases, they should seek to maintain or extend their preferential advantage.

The case for such action is based on "product profiles" covering some 160 tariff headings which, taken together, account for close to 70 per cent. of developing countries industrial exports of some $11bn. a year. It is pointed out that this represents barely 9 per cent. of the total bill ($121bn.) paid by developed market economy countries for all their industrial imports with the exception of petroleum.

The study separates products into three categories. Nineteen are included in a list of products of which developing countries are "major suppliers." A majority of these are traditional exports such as metallic ores and textile products. The bulk of the $6.5bn. trade value of this group is accounted for by metallic ores and copper products.

In this category, UNCTAD says, a mixture of preferences for developing countries and MFN tariff cuts may be considered. On products where developing countries supply nine-tenths of the world market, such as jute, carpets and wigs, deep tariff cuts might be in their interest. On other products subject to relatively high tariffs but where developing countries already dominate the market, preferential tariff cuts, the study says, will not only create more trade, but will also attract a greater share of it to these countries.

It is noted that, in this group, metallic ores and copper are by-and-large already duty free, and that preferential imports of high-tariff textiles are subject to ceiling or quota limitations. Efforts should be made to lift these limitations.

The second category, 45 products where developing countries still enjoy a high relative share of trade, includes more textiles, wood leather and chemicals. In the case of these products, UNCTAD feels, tariff reductions are likely to cause the largest degree of erosion. For those included in existing preference schemes it would be in the interest of developing countries to maintain preferential margins as high as possible, while on those likely to remain outside any preference schemes, their interests would be served by the deepest possible tariff cuts.

The criterion for the third category is growth rates. It isolates, with coverage of 96 products, potential areas where preferential margins can facilitate the process of industrial growth. It includes wood, chemical, and metal products, as well as machines and tools. Although the absolute value of exports of these products from developing countries is still small, they have shown a high rate of growth over a longish period. The policy for these products is similar to that in the previous category.

The UNCTAD secretariat clearly cannot afford to take a position against any MFN tariff cuts on certain products. But where these reduce preferential margins it argues that everything should be done to cushion the developing countries from this effect. The Tokyo Round, it is noted, commits the industrialised countries to secure "additional" trade benefits for the developing countries, and bring about a substantial "improvement" in the conditions of market access for their products.

AMERICAN NEWS

U.S. banks arranging short term credit for Argentina

BY JAY PALMER NEW YORK, March 2

SOME OF the largest U.S. banks are trying to put together a consortia to provide additional short-term credit facilities for the Argentinian Government and its Central Bank. At least two separate loan packages are involved and, in both cases, final announcements are likely within a few weeks.

Mr. Dante Simone, the Argentinian Embassy's financial minister in Washington, this morning told the Financial Times that his Government was continuing separate "discussions with several New York City banks directly from Buenos Aires".

Stressing that in both cases the loans would be for "very short-terms," Mr. Simone said that one set of talks involved Manufacturers Hanover Trust and Bankers Trust as prime agents while the other discussions were with First National City Bank, Chase Manhattan and Morgan Guaranty.

A spokesman for Bankers Trust to-day confirmed that negotiations had been going on with the Argentinian authorities since last autumn. Although he refused to identify co-participant banks or reveal the size and repayment timing of the proposed loan, it is widely believed that the joint loan would not exceed $40m. and would be for no more than six months.

While the size of this credit is believed to have been decided and firmly fixed at the $40m. level, the deal is believed to have been delayed by the continuing indecisions of several other financial institutions who have been asked to participate. The loan, if finalised, would be backed by an Argentinian Government bond.

In the case of the separate talks with Citibank, Chase and Morgan, the negotiations in New York are believed to be simply a co-operation "at head-office level over different funding programmes." Although the size of the eventual total funding will be determined by the number of banks eventually persuaded to participate, it is thought that the commitments by individual banks will not exceed $30m.

The key problem that Chase, which is believed to be acting as de facto head of the consortia, is facing is thought to centre on the way that Argentina has rescheduled debts recently maturing. One bank approached to participate noted that this record effectively prevented any wide syndication of the loan, at least until Argentina is seen to be accepting IMF disciplines to improve its economy.

Both Chase and Morgan, which are believed to have agreed to re-schedule currently maturing debt to defer repayments for about six months, refused to comment on the status of past loans. However, it is emphasised in the market that there has been no technical default on any loans through New York by Argentina. Chase is further believed not to have called in prematurely any other loans to Argentina.

Washington police haul grows

BY DAVID BELL WASHINGTON, March 2.

FOUR undercover policemen, posing as Mafia "fences" with assumed names like Lasagna, have just helped pull off one of the most remarkable coups in the bizarre history of crime fighting in America.

As more details of the operation emerged to-day, more than 100 thieves are now known to have been arrested and more than $2.1m. worth of stolen property recovered. Washington has reacted with surprise that its hitherto scorned police force has been so extarordinarily successful.

The operation culminated in a special party thrown by the police in a warehouse in north east Washington which they had been using as their headquarters. More than 60 thieves, dressed to the nines, attended and, preserving their Mafia credentials to the last, a police sergeant who had injured his back while lifting stolen typewriters played the "Don."

The guests checked their guns in at the door and one even went home to put on a dinner jacket when he discovered how well the others were dressed. Another arrived in handcuffs, saying that he had just escaped from the police. He was not amused when, instead of helping him take them off, the police revealed who they were and snapped another set on him. The thieves, who had arrived in large cars, left in the backs of lorries which the police had rented for the evenning.

It was all meticulously planned. Thieves bringing stolen property to the "fences" had to identify themselves with their Social Security cards so that, the "Mafia men" said, they could be sure with whom they were dealing. For a while they were given drinks so that the police could be sure of having their fingerprints but this was abandoned when the number of thieves grew too large.

Even the police were staggered by the range of stolen goods offered to them. One man hurried in with a TV set which he said he had stolen 15 minutes before. It was still warm. Another offered a lorry load of hijacked blow hockey games and still another was hawking a heart-lung resuscitator stolen from a local hospital. All this was in addition to 1,500 stolen credit cards and $1.2m. worth of stolen cheques.

The detectives, who called themselves Lasagana, Rigatone, Larocca and Franzino, served extra spiced meatballs and sang songs in the gibberish which they were passing off as Italian. Some of the thieves were so impressed by their links with the Mafia that they offered themselves as "hitmen" or hired executioners. Three cited previous murders as evidence that they were up to the job. These are now being investigated.

Eventually the police ran out of money to finance the operation and decided to call a halt. This no doubt came as a relief to the harassed owner of a petrol station across the street from the warehouse. The thieves had been using a telephone box on his forecourt to call the "Mafia" to make sure the coast was clear. The owner of the petrol station became so incensed that he threw a dead racoon into the box but even this failed to deter the villains. Apparently he never thought to call the police.

Venezuelan crude output at highest level of year

BY JOSEPH MANN CARACAS, March 2.

VENEZUELA'S crude oil production reached its highest level of the year last week, according to statistics released by the Government.

The country's nationalised petroleum industry produced an average of 1.8m. barrels per day for the first two months of 1976. This production level is down over 31 per cent.—or 837,567 barrels—from last year's figures, but is considerably higher than production at the beginning of 1976. When the Venezuelan Government took over foreign oil companies here on January 1 average daily production had slipped to about 1.6m. barrels, the lowest average since 1950.

Petroven, the state holding company which now runs the nation's $5bn. industry, is seeking to diversify the country's oil markets. Venezuela's principal customers have traditionally been the east coast of the United States and Canada. Oil income provides the Government with about 85 per cent. of its total income.

Meanwhile, Venezuelan Interior Minister Octavio Lepage said to-day that the Government "has no concrete clue yet" in its search for the American executive kidnapped by an ultra-Leftist group last Friday night.

Mr. William Niehous, head of Owens-Illinois Glass operations in Venezuela, was abducted by seven armed men from his home in a fashionable Caracas suburb. Thus far, the kidnapping appears to be motivated by political causes since no ransom demands have been received. The kidnappers have, however, said in a document sent to a local newspaper, "El Nacional" that they will try the American executive as an example of multinational representatives who intervene "politically and economically" in Venezuelan domestic affairs. The group warned that they would execute the U.S. businessman if reprisals were taken against them.

Kidnapping here over the past few years has been carried out more for financial than political reasons, and no U.S. citizens have been kidnapped since the days of Leftist-guerilla activity during the early 1960s.

THE RECORD DC-10 DAMAGES

A revolution for insurers

BY JAY PALMER IN NEW YORK

TWO YEARS ago to-day, on March 3, 1974, Turkish Airlines' flight 905 took off from Orly Airport near Paris for London with 346 passengers and crew.

At 12,000 feet the cargo door of the wide-bodied DC-10 jet blew out, causing an explosive decompression which collapsed the cabin floor and destroyed control cables.

Nobody on board survived the worst crash in the history of commercial aviation. The consequences for the insurance and aviation industry are only now becoming apparent, and may be huge.

More than 1,100 relatives and representatives of the crash victims filed law suits against McDonnell Douglas, builders of the DC-10, and General Dynamics, the sub-contractor on the fuselage.

Legal wheels move slowly. Last week a Federal Court in Los Angeles awarded the first ever jury-determined damages to relatives of a crash victim. It represented the plaintiffs' first significant legal step forward since McDonnell Douglas admitted just over a year ago its liability for the faulty door catch.

After only 10½ hours of deliberations, the five women and one man jury awarded damages of $1.5m. (about £750,000), one of the largest amounts ever seen in the U.S. for any double death. The sum was more than twice that demanded earlier by the plaintiffs' lawyer for an out-of-court settlement and some five times larger than the cash offer made earlier on the same basis by the defence.

It is still far too early to tell whether the award is unique or whether a precedent has been set for the remaining 320-odd lawsuits against the two companies. But while a defendants' appeal to the higher Californian courts and possibly even the U.S. Supreme Court is likely and a reversal could occur, U.S. aircraft makers and their insurers are already very worried that crash liability in any one single accident could now or in the future exceed $300m.

The odds against the eventual total damages ever reaching anywhere near this sum are, of course, great since out-of-court settlements are certain to be somewhat smaller. But whatever the eventual size of the total damages it seems probable that the initial impact will fall entirely on the dependants' insurance underwriters—the U.S. product liability insurance pools and the London insurance market.

Over the longer term, the impact on the aircraft and aviation-component manufacturers could be greater still. At the very least, annual insurance premiums for aviation product liability coverage are bound to increase in line with the higher awards and greater liability risk. Additionally, some gloomy forecasts suggest that this greater liability risk could force the specialised market to contract to a level where the sort of cover now deemed necessary may simply not be available.

> 'Although no compartive figures are available London's rates are described as being comparatively more attractive.'

None of the U.S. aircraft makers spell out the size of their coverage — McDonnell Douglas for its part merely says it has "cover adequate to cover . . . damages." However, it is generally assumed that the very largest companies (including McDonnell Douglas, Boeing and Lockheed) have annual cover of at least $200m. and perhaps as much as $300m. If damages in any one year exceed the amounts covered, the company itself becomes liable for the excess. Only two years ago the individual cover was thought to average only $150m. and this, going back farther, represented a big jump above levels seen before the introduction of jumbo jets.

The annual premiums are equally well kept industry secrets and the larger companies now, facing renewals which for the most part fall due in the early summer, are especially cagey. But generally it is thought that exact payments will vary on an individual company basis between $10m. and $30m. (for $300m. of cover) depending on the aircraft, its potential maximum passenger load, and its safety record. Companies will, of course, also be assessed on the actual number of aircraft in service with airlines.

Over the past six or seven years, premiums have been generally falling (some say by as much as 60 per cent.) as what the two U.S. pools describe as "amateur aviation underwriters" were attracted to the business by good safety records and added to market capacity and general competition for business. Though it is difficult to substantiate claims that aviation product liability underwriting actually became unprofitable as a result, it does seem likely that the shock realisation of the huge if infrequent liabilities will drive some to quit the business. In any event, current industry estimates suggest that premiums will rise within the next few years back to the pre-1970 levels.

In the U.S. aviation product liability insurance is a very specialised field dominated by two pools—the larger U.S. Aircraft Insurance Group (USAIG) and the Association of Aviation Underwriters (AAU). But despite the fact that most of the world's largest users and builders of aircraft are American, the field is still centred in London around Lloyd's.

According to estimates by the two American pools, at least 60 per cent. and possibly as much as 75 per cent. of the world's total aviation product liability premiums of about $500m. a year end up in London. Becau[...] the very wide differences in [...] mium rates charged, ne[...] group makes any official [...] mate as to the size of Lon[...] total open liabilities.

Although no compari[...] figures are available, Lon[...] rates are described as b[...] comparatively more attracti[...] more volatile. It is appare[...] for this reason that Boeing, [...] largest U.S. aircraft manu[...] turer, is said to do all its [...] ness directly in London w[...] McDonnell Douglas is rece[...] believed to have also decide[...] bypass the U.S. pools.

But while London's share [...] the market is at worst stagn[...] its share of liability over [...] Turkish Airlines crash falls [...] below average and appare[...] does not amount to more t[...] 50 per cent. of the cover. Acc[...] ing to a spokesman for Lloy[...] on this basis the eventual bil[...] London is not expected to exc[...] $100m. (£50m.), an estim[...] which matches the prevail[...] U.S. view that total damages [...] be under $200m.

In addition to sending [...] miums soaring up again, the [...] Angeles damages have alre[...] increased the demands in b[...] the insurance and aircraft ma[...] facturing industry for some ki[...] of limit on liability to any indi[...] dual victim. Though a very f[...] U.S. states do have some gene[...] purpose ceiling along the li[...] of the international treat[...] limiting air carrier financial [...] sponsibility, the lack of one [...] California was one of the reaso[...] why so many plaintiffs opt[...] not to accept the immedi[...] smaller settlement awards.

It is difficult at present [...] estimate the extent to whi[...] last week's award will prove [...] norm for future claims that a[...] now being prepared. Yesterd[...] the second court trial over y[...] another victim (under the sam[...] judge but with a different jur[...] started. It will be watched [...] confirm or deny the trend.

Low poll threat to primary

Snow and freezing rain ye[...] threatened to keep turn[...] as Massachusetts voters [...] the polls to choose amon[...] will probably be the larg[...] of candidates to contest [...] this year's Presidential [...] elections, writes Gu[...] Jonquieres from Boston.

On the Democratic side [...] are ten candidates, inclu[...] woman running on an [...] abortion ticket and a m[...] wants to instal a Parlia[...] system of government in [...] The Republican lists pit P[...] Ford against Mr. Ronald [...] though neither has do[...] campaigning here.

The Democrats' race is [...] expected to narrow dow[...] struggle between four m[...] Jimmy Carter, of Geo[...] centrist; Senator Henry J[...] a moderate-conservative; [...] gressman Morris Udall, a [...] and Alabama Governor [...] Wallace, who has cam[...] hard against court-ordered [...] of schoolchildren to [...] racial balance.

Rail strike

A strike by 290 members [...] Teamsters Union is expe[...] close all operations of [...] Columbia Railway C[...] shortly, AP-DJ reports [...] Vancouver. The union [...] notifying workers to [...] picket lines after last [...] contract talks with the pr[...] Government-owned railway [...] off on Monday afternoon. A [...] spokesman said that pickets [...] close all operations of the r[...] The strike would disrup[...] ments of lumber and [...] products from the interior [...] province.

N-export mo[...]

Three groups said in Wash[...] yesterday that they have [...] the Nuclear Regulatory C[...] sion to let them interven[...] case involving export of u[...] to India, UPI reports. The N[...] Resources Defence Council, [...] Club, and Union of Con[...] Scientists said that their [...] first public intervention [...] licence case involving r[...] exports. They said that the [...] latory Commission should [...] down the licence applicat[...] the Edlow International Co[...] to ship 20 tons of uraniu[...] to the Tarapur atomic [...] station near Bombay. "P[...] safeguards are inadequa[...] ensure that India will not [...] this plutonium—enough f[...] Hiroshima-sized bombs—[...] manufacture of nuclear wea[...] the groups said in a stat[...]

Nixon report

Former President Richard [...] will send a written report [...] State Department on his [...] trip, a White House spok[...] said yesterday, UPI reports [...] Washington. Press Secretar[...] Nessen said that a "functio[...] at the White House had re[...] notification from San Cle[...] California, that Mr. Nixon [...] be sending a report to th[...] partment.

Castro 'plot'

A LAS VEGAS newspaper [...] lisher said yesterday that [...] Premier Fidel Castro order[...] assassination of President [...] nedy in retaliation for [...] against his own life. Mr. H[...] Greenspun, in a copyri[...] article in the Las Vegas [...] which he owns, quoted [...] impeachable sources" as [...] that he Cuban leader prob[...] was also involved in [...] assassination of President [...] nedy's brother Robert, R[...] reports.

THE FINANCIAL TIMES, published daily exc[...] Sundays and holidays. U.S. subscriptio[...] $367.00 (air freight) [...] annum. Second class postage paid at N[...] York, N.Y.

OVERSEAS NEWS

Mozambique may apply full Rhodesia sanctions

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

[M]OZAMBIQUE, which in the [pas]t had provided Rhodesia with [its] most important trading routes [to t]he outside world, is believed [to] be on the brink of applying [ful]l economic sanctions against [the] rebel colony.

[I]f it were to do so, the [eco]nomic effects—particularly on [Rh]odesian chrome exports—[wou]ld be significant, but the main [im]pact is likely to be on the [psy]chology of White Rhodesians, [cu]rrently facing a mounting [gu]erilla struggle in an atmos[ph]ere of increasing isolation.

According to reports reaching [Lo]ndon, the Mozambique Presi[de]nt, Mr. Samora Machel, now [fe]els that his country should [ap]ply full sanctions against [Rh]odesia to bring to bear on the [W]hite Government in Salisbury [ad]ditional pressure to the escalat[in]g guerilla struggle.

It is understood that President [M]achel has already fully dis[cu]ssed the implications of such [a] move by his country with the [pr]esidents of neighbouring [Ta]nzania and Zambia. It is in [th]is context that Thursday's [m]eeting of the Commonwealth [Sa]nctions Committee, which is [be]ing convened at the request of [Ta]nzania primarily to discuss [M]ozambique's situation in regard [to] sanctions, should be seen.

While it is not thought that [a] Mozambique decision to apply [fu]ll sanctions would be depen[de]nt on Commonwealth or other [in]ternational action, Common[we]alth heads o fGovernment at [th]eir summit last May declared [th]emselves in favour of "provid[in]g immediate financial assis[ta]nce" to Mozambique when it [be]came independent.

In fact, there has been as yet [no] concentrated Commonwealth [at]tempt to aid the former Portu[g]uese colony, partly it is thought [b]ecause the country has so far [c]ontinued to trade with Rhodesia [a]nd to allow Rhodesian traffic to [tr]ansit through its two major [p]orts.

While the Mozambique Govern[m]ent may well feel that such aid [s]hould precede rather than follow [t]he imposition of sanctions, there [i]s no doubt that Commonwealth—an dUnited Nations—aid would be of enormous importance. Mozambique currently relies on Rhodesian trade both for foreign exchange and increasingly for food, since local production, following the exodus of the Portuguese, has declined drastically.

There are no official figures available, but the sums necessary to tide Mozambique over the —difficulties caused by imposing sanctions could well be in excess of £20m., although obviously the amount would depend on now long it would take for that and other pressures to produce a Black Government in Rhodesia.

Precisely what effect Mozambique sanctions would have on Rhodesia is unclear. While the psychological impact of having yet another border sealed off entirely would be very considerable, Rhodesia has been rapidly diverting trade from the ports of Beira and Maputo (formerly Lourenco Marques).

Latest reports from Salisbury (where actual figures are regarded as state secrets) suggest that no more than 20-30 per cent. of the country's trade uses Mozambique, compared to around 70 per cent. when Mozambique was ruled by Portugal.

The main product still using Maputo is believed to be chrome. Most imports, including highly sensitive oil which until only a few months ago was carried on the Maputo-Malvernia railway, is apparently now coming through South Africa.

There can be little doubt that sanctions would be almost as serious for the Mozambique economy as for Rhodesia, which is one reason why the Mozambique authorities have not imposed them up to now. Another reason, however, is political.

Of all the Black Presidents in southern Africa, President Machel believes most strongly that the only way to overthrow the minority government in Rhodesia is through armed struggle.

Apparently the decision to impose sanctions was taken some two or three weeks ago, when it appeared that the Smith-Nkomo settlement talks in Salisbury were on the verge of breakdown. It is not clear whether it might be altered if there were to be a sudden break-through in those talks.

For the time being, however, the likelihood is that the decision of the Rhodesian authorities last Friday to close the railway from Malvernia to Maputo following the arrest by Frelimo of 16 Rhodesian railway men will turn out to have constituted the first stage in the full imposition of sanctions by Mozambique.

NAMIBIA TALKS

The constitutional talks on the future on Namibia (South-West Africa) resumed in Windhoek yesterday, with many delegates talking of increased pressure to make progress towards independence, writes Stewart Dalby.

Observers, however, felt that it was unlikely that the conference would agree in its current session on a blueprint constitution for the territory, which is administered by South Africa in defiance of UN demands that it release its mandate.

The main stumbling-block to a constitution that would satisfy the majority of people in the territory, observers said, was that Swapo (South-West African People's Organisation) is not represented at the talks. The internal wing of Swapo claims to be the largest political party in the territory and says it would gain 40 per cent. of the vote if an election on a one-man, one-vote basis were held.

The 133 delegates attending the conference, whose first session was adjourned last September, represent the 11 indigenous or tribal groups in the territory. The whites, who number 100,000, or an eighth of the population, have three delegates.

Japanese reserves show big increase

By Charles Smith

TOKYO, March 2.

JAPAN'S foreign exchange reserves increased in February by the largest amount since the month preceding the floating of the yen in early 1973, when speculative money was pouring into the country in anticipation of a higher exchange rate.

The February increase was $798m., taking the reserve total to $13,951m. at the end of the month. This reflects heavy buying of dollars by the Bank of Japan in an attempt to prevent a serious weakening of the dollar in the Tokyo foreign exchange market. The dollar began to come under pressure in Tokyo in January but the situation became acute early last month, reaching the point where Bank of Japan's purchases of dollars exceeded $200m. in a single day's trading.

Japan's reserves have now risen for two consecutive months, following a five-month decline at the end of last year, and are well over $1bn. above the December 1975 level. The factors which underly both the increase in the reserves and the recent strength of the yen are Japan's rapidly improving export prospects and the resumption of an inflow of foreign capital into the Tokyo bond and equity markets.

Exports were running at below the levels of a year ago until January. But advance indicators, such as export contracts signed by major trading companies of letters of credit received, have begun to show a sharp upward trend. The figure for February receipts of export letters of credit, which was published to-day, shows a 22 per cent. rise over February 1975. This is the steepest year-to-year increase since October, 1974. Advance indicators for Japanese imports are not yet showing similar signs of recovery mainly because of the slackness of demand within the domestic economy.

IRAN'S BUDGET DEFICIT

Too much and too soon

BY ROBERT GRAHAM, MIDDLE EAST CORRESPONDENT IN TEHRAN

IRAN is no stranger to budget deficits. Although the 1976-77 deficit is the first in six years, throughout the 1960s the country witnessed growing deficits. In 1968 it was almost 25 per cent. of expenditure whereas this year's $2.4bn. deficit is less than 8 per cent. of total expenditure. But just as the outside world was caught up in the euphoria of Iranian wealth generated by the 1973 oil price rises, so now it is sceptical of the country's financial solidity because of overspending and declining oil sales.

Provided oil sales remain slack and the price of crude sticks more or less where it is, Iran cannot afford to spend as it has done over the past two years without running a substantial budgetary deficit. Even if expenditure is kept in check, which it has been in this budget, the longer term outlook—especially costly further investment in oil and the move to secondary recovery in the 1980s—does impose serious financial constraints on existing investment plans.

The overall budget for the state and state-owned enterprises has put expenditure at just under $45bn. (27 per cent. up) of which the share of the state or general budget is $27.6bn. (up 15 per cent.). The bulk of the deficit, $2.1bn., comes from the general budget, since the remaining expenditure is taken up by state enterprises with more or less balanced budgets. Oil and gas revenues provide 73 per cent. of general budget revenue.

Oil income this year has been based on the assumption of liftings of around 4.39m. barrels a day by the former consortium companies, which are responsible for 85 per cent. of oil income. That compares with average liftings in 1975 of 4.23m. b/d. The average is expected to be virtually the same as in the Iranian fiscal year ending on March 21. These average liftings, 14.9 per cent. below agreed levels, represent a shortfall equivalent to nearly $2.7bn. The drop, which has occurred since October, forced the government to re-do its sums, and the figure for this year is a cautious median. The hope is that with the 9.5 per cent. adjustment of heavy crude pricing down to $11.40 per barrel, Iranian oil will be once again competitive with Gulf crudes. But there are imponderables: when will demand pick up? It is still slack and Exxon is reported to have suspended heavy crude lifting since January. And what will be the fate of the efforts of the former consortium to renegotiate the 1973 agreement which covered liftings and investment?

The oil companies maintain that their existing margins, cut from 22 cents a barrel to below 15 cents, are insufficient to justify their 40 per cent. investment obligations. This year their investment obligation is close on $600m. Despite public recrimination from the Iranians, there is an attempt to reach a satisfactory new arrangement, but Iran's argument that it offers the sole major source of non-Arab oil appears to be cutting less ice.

Again in public the Iranians are sticking doggedly to the line that "if the oil companies cannot sell Iranian oil, we can do so ourselves." In the short terms this is doubtful. The National Iranian Oil Company (NIOC) has not been very successful selling crude so far except by offering substantial discounts. There are reports of credits being offered of up to 180 days. This in turn has affected revenue.

To offset dependence upon oil and gas revenues, there is a slight shift in policy. The Government has realised that it needs to improve tax collection and broaden the revenue base. Under the revised plan for 1973-1978 oil revenues were expected to account for 78 per cent. of receipts and taxes for 14 per cent. This year's budget foresees tax revenues accounting for 16 per cent. No new taxes have been announced and the expected 53 per cent. rise in tax receipts will be sought from improved collection. It is doubtful whether the increase will be so substantial, and already there is talk now of a motor tax, beginning at $430 for four-cylinder cars.

It would be a mistake, however, to ignore a number of strong points in the Iranian position. In 1974-75 foreign debt repayment was accelerated, with all high interest loans paid off, so that this year repayments will be under $300m. Although cutting back its outgoings on foreign loans, aid and investments, which are almost halved, Iran still aims at disbursing $1.5bn. under this item—something which it is not obliged to do. Officials have made it clear that disbursements will depend upon the level of oil revenues. Moreover the Government need not continue the practice of paying cash, often in advance, for imports. as it is, the payments deficit for 1975-76 is likely to be around $800m. instead of $1.7bn. as originally anticipated.

There is tremendous scope to streamline economic management and project budgetting. At the Plan Ministry it is reckoned that better management alone could almost eliminate the present budget deficit. The slowdown and economy measures being implemented will mean that the import bill will be contained around $16bn. (against predictions for 1975 alone of nearly $17bn.). In the longer term Iran can of course count upon increased revenue from gas sales and copper which should come onto the market by 1978.

In fact the doubts about the country's financial position really centre around its commitment to the numerous expensive projects talked about and studied in the past two years—major expansion of the steel petrochemical and automotive industries, nuclear power (reckoned to cost $26bn. at current prices over the next 20 years), and a high defence priority. Existing hard currency revenues cannot support all this and, judging by the two recent efforts to borrow small amounts, the international market would not look too kindly on the massive borrowing necessary.

State bank seeking $100m. loan

THE Industrial Credit Bank of Iran is negotiating for a $100m. loan to be managed by Chase Manhattan, writes Robert Graham from Tehran. The bank has a borrowing programme of $300m., of which $50m. has been negotiated.

The fact that Chase has agreed to manage this loan inicates that the bank is hoping for a better rate than that obtained for the previous loan. The $50m. loan, syndicated by Brandts with three other leaders, was 1.25 per cent. above the London inter-bank rate.

Banking sources here stress that authorisation for the loan has yet to be received although it is in an advanced stage.

The State-owned ICB has a 22 per cent. stake in a joint venture bank here with Chase, which holds 33 per cent., called the International Bank of Iran.

News of the loan came as a two-day financial conference of leading U.S. bankers and brokers with their Iranian counterparts opened in Tehran yesterday. The meeting is broadly similar to the U.K.-Iran financial conference held here last autumn. Among those present are Chase chairman David Rockefeller and New York Federal Reserve president Paul Volcker. The basic aim is to examine practical ways in which U.S. institutions can help Iran set up a capital market and establish Tehran as a financial centre.

Hanoi urges guerillas to fight in Asia

By Our Asia Correspondent

[N]ORTH VIETNAM has res[p]onded to last week's peace [o]vertures by the non-Communist [n]ations of South East Asia by [e]ncouraging guerilla movements [i]n the area to step up their [st]ruggles.

Nhan Dan, the official Hanoi [n]ewspaper, has reported that "a new struggle, very sharp and [h]ighly complex, is taking place [b]etween the peoples of these [c]ountries on the one hand and [U].S. imperialism and the other [fo]rces of reaction on the other."

[T]he paper's commentary, broad[c]ast by Hanoi radio and moni[t]ored by the BBC, said that the [V]ietnamese people would sup[p]ort all movements to "thwart [a]ll schemes of U.S. imperialism [a]nd reaction."

The call from Hanoi has been [s]een in the area as a direct [re]sponse to the summit meeting [in] Bali last week of the heads [o]f government of the Associa[ti]on of South East Asian Nations Asean—Indonesia, Malaysia, [th]e Philippines, Singapore and [T]hailand). The five nations [re]fused pressures to form a non-[c]ommunist military pact and [p]ut out peace feelers to the [n]ewly Communist Indo-China [n]ations.

In spite of the hostile response [f]rom North Vietnam, China [s]eems to have approved of the [a]ttempts of Asean to form a [st]ronger economic group.

SINGAPORE TAX CONCESSIONS

By Ilsa Sharp

SINGAPORE, March 2.

[M]R. HON SUI SEN, Singapore [F]inance Minister, has granted [ta]x concessions aimed at promot[in]g the Asian dollar market and [S]ingapore's position as a [fi]nancial centre.

Mr. Hon, in presenting his [b]udget, said that fees, interest [o]r commission received by Asian [cu]rrency units for advising, [co]nfirming or refinancing off[sh]ore letters of credit would be [fi]xed at the reduced rate of 10 [p]er cent. in the 1977 year of [a]ssessment.

Non-resident deposits with [A]sian currency units and [a]pproved Asian dollar bonds, [h]eld by non-residents, would be [e]xempt from estate duty from [J]anuary 1, 1976.

Arabs 'plan mini-summit'

BY JAMES BUXTON

KING KHALED of Saudi Arabia is planning to hold a mini-summit in Riyadh to reconcile Egypt on one side and Syria and the Palestine Liberation Organisation on the other, according to a report yesterday in the Jordanian newspaper Al Shaab. The newspaper said that President Anwar Sadat of Egypt, President Hafez Assad of Syria and Yassir Arafat of the PLO would try to work out a plan of action to prevent the freezing of the Middle East situation.

Although the Saudi government is known to feel strongly that there is need to end the split between Syria and Egypt and create a more concerted front against Israel, and that it sees a mini-summit as a possible way of achieving this, it is unlikely that the two principal heads of state would be prepared at this stage to go to a summit meeting, even sponsored by a government as influential as Saudi Arabia. Mr. Sadat's attack on Syrian tactics at the weekend cannot have helped matters in this respect.

Reports from Tel Aviv, quoting government sources in Israel, said yesterday that Syria had failed to persuade Jordan to join a union with the PLO and Syria in a federated state.

The Israelis believe that although economic and, to a limited extent, military co-operation between the two countries has grown rapidly in the past year, Jordan has stopped short of changing its position on the PLO.

Prime Minister Yitzhak Rabin has told leaders of his parliamentary coalition that Jordan's policy indicates that Israel has been right to oppose co-operation with the PLO.

In Riyadh, Crown Prince Fahd is reported to have said yesterday that Saudi Arabia would resort to war if peaceful attempts to reach an Israeli withdrawal from the occupied territories failed. He was addressing a meeting of the supreme committee of the Arab Authority for Military Industry, which aims to set up its own Arab armaments industry.

Attacks on Teng continue

BY OUR ASIA CORRESPONDENT

CHINA'S newspapers and radio stations have been keeping up their attacks on the "capitalist roader," a term generally understood to refer to Mr. Teng Tsiao-ping, the Vice-Premier once widely supposed to have been chosen heir to Premier Chou En-lai.

The official New China News Agency, the People's Daily and the Red Flag, as well as radio stations in Shanghai, Kwangsi and several other provines, have joined in condemning Mr. Teng, a man who until the death of Premier Chou enjoyed high favour in China.

Shanghai radio, monitored by the BBC, said yesterday that "the capitalist roader has met with ignominious failure." This showed a confidence lacking in a People's Daily report of Sunday, which suggested that the latest bout of "revisionism" was especially dangerous because the "capitalist roaders" had great power within the party.

Although yesterday's People's Daily said that Chairman Mao was behind the campaign its leading spirit is generally believed to be Chiang Ching, the Chairman's wife. Mr. Teng has also been the subject of hostile messages on Peking wall posters as well as in the radio and newspaper attacks.

Though he has not actually been named, the Chinese can be in no doubt that it is Mr. Teng who is being attacked. The People's Daily quoted an earlier fallacy of the "capitalist roader"—"What does it matter whether it's Marxism or revisionism, socialism or imperialism, a white cat or a black cat? It's a good cat as long as it catches mice."

The slogan that a cat should be judged on its ability to catch mice had become Mr. Teng's catchphrase. His friends said it was quoted out of context, but it became attached to the Vice-Premier just as former British Prime Minister Edward Heath's saying that prices could be reduced "at a stroke" was quoted as his slogan.

EUROPEAN NEWS

EEC relents on Turkish farm exports

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, March 2.

THE COMMON Market to-day patched up its difference with Turkey, at least temporarily, by promising easier access to the EEC for Turkish farm exports—a long-standing demand by Ankara. The new Community proposal came after Mr. Ihsan Sabry Caglayangil, the Turkish Foreign Minister, last night turned down an earlier offer as totally inadequate.

With the issue threatening serious damage to Turkish-EEC relations, already difficult in the wake of the Greek entry request, EEC Ministers came up with an improved formula this morning. The stalled negotiations, aimed at improving the vital agricultural part of the EEC's association agreement with Turkey, can now go ahead.

Under the new formula, the Nine undertook to help develop and diversify Turkish farm exports and to facilitate access for products presenting an "export interest" for Turkey, taking acount of competition from other countries. Ankara argues that the EEC has undermined Turkey's position by offering special arrangements to other Mediterranean countries, whereas Turkey, as an associate country, should have priority.

Yesterday the Nine responded to the two other main Turkish demands by promising an early offer of new financial aid and undertaking not to discriminate against Turkish migrant workers.

Mr. Caglayangil said to-day that he was happy with the outcome, which he described as a turning point for the association agreement.

The Nine also promised to keep Turkey fully informed of the progress of Greece's bid for EEC entry, on which Mr. Caglayangil requested "very frank discussions."

Turkey is not actively opposing Greek membership, but Ankara is deeply concerned by the potential economic and political implications.

In other foreign policy decisions, the Nine took note of the recent Comecon proposal for a trade and economic agreement between the two organisations and announced their intention of drawing up a common position on the Western Sahara. The Community's political committee is to start work immediately on co-ordinating the Nine's attitudes.

M. Gaston Thorn, the Council President, stressed that the Nine were not trying to intervene or take sides in the dispute over the territory between Morocco and Algeria. But he pointed out that both countries had just concluded new trade and co-operation agreements with the Community, and said the Nine were taking a closer interest in developments in Africa in the wake of the Angolan civil war, on which the Foreign Ministers issued a joint declaration.

The Ministers failed to agree on an offer of concessions on tropical products to put forward in the current round of multilateral trade negotiations in Geneva. The general view, including that of the U.K., was that the draft EEC offer was not worth tabling after Italy had refused to allow tobacco to be included and opposed major concessions on tropical oils.

Efforts will continue to persuade the Italians to change their minds, but the Community has now missed the March 1 deadline for tabling offers in Geneva, though the U.S., Canada and Japan have all put forward their proposals. Britain argued to-day that a generous Community offer was essential to create a propitious atmosphere for the May meeting of Unctad in Nairobi and the continuing North-South dialogue in Paris.

Ministers agreed that the Community should adopt overall policy aims for the conduct of the "dialogue" and that the Community delegations in Paris should be given greater flexibility to react on the spot. The Community also wants to start keeping records of the dialogue's work, so that it will be clear what has been agreed in the four expert commissions.

The Council made little progress on outstanding problems of direct elections to the European Parliament, due to start in May or June 1978. The forthcoming Luxembourg summit on April 1 and 2 will now almost certainly have to settle the number and distribution of seats in the new chamber, the precise date of the first elections, and find an escape clause to cover Britain and Denmark, still not firmly committed to the target date.

There is also still a problem over the Parliament's name, with France insisting that it be referred to as the "Assembly." Denmark, among others, is worried by the Parliament's plan to propose a uniform electoral system by 1980.

In a review of work in the Community's more specialist councils, most Foreign Ministers agreed that the dispute over the site of the joint European Torus thermonuclear fusion project should be referred to a combined session of Foreign and Finance Ministers in early April. But France is still objecting to this. M. Thorn announced that the Foreign Ministers would hold their next regular private two-day gathering in Luxembourg on May 14 and 15.

Portugal warned of renewed coup danger

BY PAUL ELLMAN

LISBON, March 2.

A DRAMATIC warning that Portugal could be in danger of a coup by "anti-democratic" forces has been issued by the Air Force Chief of Staff, General Jose Morais da Silva.

The text of the general's speech, which was made last Friday, was published only to-day although it has been in the hands of the military leadership since the weekend.

General Morais da Silva warned a swearing-in ceremony against some "desperate manoeuvre . . . to delay or even cancel" the legislative elections which have been scheduled for April 25 and added that "certain elements of the military, dissatisfied for one reason or another" could find themselves involved.

His warning came against the background of signs that Portugal is suffering a relapse of coup fever as the election campaign approaches. Although General Morais da Silva did not spell out which direction he thought the threat might come from, it is reliably reported that the military leadership is concerned at infiltration of the army by elements of the clandestine Democratic Movement for the Liberation of Portugal (MDLP), which favours the return of ex-President Antonio de Spinola.

"Present circumstances lead to the conclusion that forces opposed . . . to democracy . . . will not calmly accept electoral defeat." General Morais da Silva said. His remarks coincided with reports from usually well-informed sources that an attempted coup was nipped in the bud only three weeks ago, shortly before army leaders went on a tour of units to explain to officers their position under the rules recently established for the military's role in the running of the country's affairs.

Italy probes payments

By Anthony Robinson

General Duilio Fanali, Air Force Chief of Staff at the time of the decision to buy 14 Lockheed Hercules transport planes for the Italian air force, has been served notice that he is under investigation on suspicion of corruption connected with the purchase.

General Fanali is former chief of the Nato Defence College in Paris and Air Attache at the Italian Embassy in London.

The judicial notice follows continuing judicial investigations into the Lockheed scandal which has already led to arrest warrants being issued for the former President of the Iri-Finmeccanio group Camillo Crociani, the lawyer Ovidio Lefebvre and the administrator of ghost company Com.El Spa.

Autonomy likely aim of Italian Socialists

BY ANTHONY ROBINSON

ROME, March 2.

THE FOCUS of attention in Italian political life falls on the Italian Socialist Party (PSI) to-morrow when the party begins its 40th National Congress aimed essentially at defining an autonomous role for the party in its relationship with the two major parties, the Christian Democrats and the Communists.

Attention is expected to be focused on the opening speech by Party Secretary Francesco de Martino and on other party leaders such as Giacomo Mancini and Riccardo Lombardi. But political observers will also be looking carefully at the performance of the new generation of 40-year-olds to evaluate the chances of men like Bettino Craxi, Enrico Manca and Claudio Signorile, who are tipped for future leadership positions.

Sig. De Martino's position as secretary is, however, expected to be confirmed by this Congress. His faction controls over 40 per cent. of the party

The key question is whether or not this Congress decides to offer some form of olive branch to the Christian Democrat whose own Congress is due to take place in two weeks time. This could pave the way for the creation of a new Government based on a Christian Democrat-Socialist Alliance in which the PSI would have a greater share of power and which would be open to some form of external support from the Communist Party.

This weakens prospects for the directly anti-Communist candidates such as Arnaldo Forlani who is seen as Sig. Zaccagnini's principal rival.

But both the political formulas now in vogue—some form of left-wing alliance which excludes the Christian Democrats or a form of historic compromise which includes Catholic forces—contain one basic common denominator which is that of severely reducing the central role played since the war by the Christian Democrat Party.

'Knocking on the door'

BY DAVID BUCHAN

THE COMMUNIST party is knocking on the door of power in Italy and it is becoming "more and more evident" that it will very soon have to be let in. This is the message that Signor Giorgio Napolitano, a top ranking member of the Party Secretariat, brought to Britain when he addressed an audience at the Royal Institute of International Affairs in London yesterday.

The ruling Christian Democrat party is only surviving in Parliament, he said, through abstentions from its erstwhile political allies. The old centre left formula is dead and only a coalition combining the CD and the PCI had the "moral authority" to carry through the sort of programme needed for the regeneration of the Italian system.

"Italian Communists are not sugar coating their aims or hiding their principles" to get into power, Sig. Napolitano said. But he fully backed his party leadership's attempt to "take the horns off" the PCI to allay West European suspicions when he reiterated the remarks made by the PCI leader, Sig. Enrico Berlinguer, to the Soviet Party Congress in Moscow last Friday that Italian Communism was following an independent road, and that it did not advocate Italy's withdrawal from Nato or the EEC. Sig. Napolitano's only qualification was that Nato must continue its current "defensive position."

He made it clear that the PCI, despite its strong showing in last June's regional elections and its increasing support in opinion polls since, did not intend to go it alone. An "historic compromise" with the Christian Democratic party was still the PCI strategy.

A popular front strategy of linking hands only with the Socialist party was ruled out of Court by several factors. The most important, Sig. Napolitano emphasised, was that this would "Chileanise" the country with a deep left-right split. And there were enough Right-wing extremists in Italy, as terrorist incidents from 1969 to 1974 had shown, to exploit any such split. The CD still held an important Catholic and middle-class allegiance

Areilza and Callaghan in EEC talks

Sr Jose Maria de Areilza, the Spanish Foreign Minister, held "cordial and relaxed" talks with the British Foreign Secretary, Mr. James Callaghan, yesterday on Spain's attempt to join the EEC, writes Quentin Peel.

Sr. Areilza stressed that Spain did not intend to apply for membership until the country had established democratic institutions on a par with the rest of the Nine, diplomatic sources said.

The Spanish Minister emphasised the steps being taken to liberalise institutions in Spain, including progress towards elections, the legalisation of political parties, free trade unions and collective bargaining.

Investment fall

Spain's rate of investment dropped by 9 per cent. last year, industrial production fell by 3.5 per cent. and productivity has decreased notably, Industry Minister Carlos Perez de Brico said yesterday, UPI reports from Madrid. The Minister also said that unemployment rose to 5 per cent. during the year. Spain's working population is 13m. Sr. Perez said that the gross national product showed a 0.7 growth rate in 1975. Other figures released yesterday showed that more than 30m. foreign tourists visited Spain last year contributing $3.404bn. to the nation's balance of payment. This represented a 0.7 per cent. decrease compared to 1974. The income from tourism rose by 6.8 per cent.

● King Juan Carlos and Queen Sophia of Spain will pay a visit to Washington on June 2 and 3 at President Ford's invitation, the White House announced in Washington yesterday.

Rig loss inquiry

THE NORWEGIAN Government appointed a commission of inquiry yesterday into the wrecking of the oil rig off Bergen with the loss of six lives, Oour Stockholm Correspondent writes. Speculation on the cause of the catastrophe, the first to strike an offshore drilling rig of this type, has varied considerably. First reports spoke of engine failure in one of the accompanying tugs but reports from survivors suggested there may have been a breakdown in one of the rig's own engines.

Cyprus talks

Turkish Cypriot leader Mr. Rauf Denktash and Greek Cypriot representative Mr. Glafkos Clerides will meet on Friday to discuss humanitarian matters, a UN spokesman said yesterday, UPI reports from Nicosia. The spokesman said that the meeting was agreed upon the last round of the Cyprus intercommunal talks held in Vienna two weeks ago, and will be in the presence of the UN Secretary General's Special Representative to Cyprus, Mr. Perez de Cuellar.

Brazil nuclear deal

West Germany yesterday hailed its agreement to deliver a nuclear power plant and technical knowledge to Brazil as a model of co-operation in the peaceful use of atomic energy. Research and Technology Minister Hans Matthoeffer said that safeguards ensured that Brazil would use the equipment and knowledge exclusively for peaceful purposes. He issued a Press statement on the entry into force of a triangular agreement on safeguards by West Germany, Brazil and the Vienna-based International Atomic Energy Agency (IAEA).

UN strike

All 7,000 United Nations workers yesterday threatened a total shut-down of operations unless their pay claims are met by management, UPI reports from Geneva. With the strike at UN European headquarters in its sixth day, staff at such major UN specialised agencies as the World Health Organisation (WHO) and International Labor Organization (ILO) prepared to walk out as well. They claim that management is refusing to honour a previous commitment to accept the findings of an independent survey of local Swiss salaries and UN wages. Management for its part says the staff council at European headquarters and the various UN agencies refuse to honour another agreement to subject the survey to a joint analysis.

Visit cancelled

U.S. Ambassador Kenneth Rush, at the centre of a row with France's Left-wing opposition about U.S. "intrusion" in French affairs, has called off a visit to Marseilles on Friday where he was scheduled to meet the port city's Socialist Mayor, M. Gaston Defferre, Reuter reports from Paris. An American Embassy spokesman said that Mr. Rush was in bed with influenza and had been ordered to stay at home by his doctor. "He is trying to reschedule the visit for as soon as possible . . . but this could take some weeks," the official added. "It is real flu, not diplomatic."

Hilary Barnes in Copenhagen examines a persis[tent] problem in Denmark's economy

Payments in the re[d]

VALUE ADDED TAX went up from 9¼ per cent. to 15 per cent. in Denmark on March 1 after five months at the lower level, leaving the authorities with a familiar hangover: a current balance of payments deficit which in the final quarter of last year was running at around 5 per cent. of GNP. Last autumn the Danes launched into an expansionary programme equivalent to about 2 per cent. of GNP. The VAT reduction and support for industrial investment were the chief ingredients.

It was a brave attempt to clip the top off winter unemployment, and perhaps succeeded, although unemployment in December came to 7.7 per cent. of the total work force. But the Government's kiss of life technique was in some respects clumsy: it blew up consumer spending like a balloon. The seasonally corrected volume index of retail sales in the final quarter was 11 per cent. higher than in the third quarter and 15 per cent. higher than in the final quarter of 1974. Car sales are running at record levels as well, and while the consumer boom has had some effect on industrial orders and output at home, it was seized upon with glee by importers hungry to claw back ground lost in the previous year and with goods to offer at highly competitive prices.

The final quarter trade deficit climbed to Kr.3.8bn. (about £280m.) of a total deficit for 1975 of Kr.9.6bn., and the current deficit in the final quarter amounted to Kr.2.38bn. out of a total deficit for the year of Kr.3.05bn. (down from Kr.5.7bn. in 1974). Another large deficit is certain for January and probably February. The pressure will no doubt ease, but with private consumption expected to rise by 4-4½ per cent. in real terms in 1976, a high level of consumer spending is probable throughout the year. Most official and non-official forecasters expect that the current deficit for the year will come to Kr.5bn.-6bn., or rather over 2½ per cent. of forecast GNP.

The Social Democratic minority Government and the four parties which assisted in putting through the autumn demand boost, the Liberals, Radicals, Christian Peoples Party, and Centre Democrats, hoped that when the effects of the measures ebbed away this spring they would be succeeded by an upswing of export demand. It has not yet come, partly because Denmark's two most important trading partners, Sweden and Britain, are still at the wrong stage of the business cycle. The Government's room for manoeuvre, however, is now very limited, not only because of the trade deficit but also because of the problem of the central Government budget deficit, which has already forced the authorities to announce a more restrictive monetary policy.

In 1975 the budget deficit was running at about 7 per cent. of GNP and in the fiscal year beginning on April 1 it will be running at nearly the same level, with a Government borrowing requirement of Kr.17bn. Last year the deficit was only partially financed from the private sector.

Anker Jergensen

After a thunderous warning from the central bank governor, Mr. Erik Hoffmeyer, of the perils of continuing to finance the deficit—or part of it—by drawing on the Central Bank, the Government and its supporting parties agreed to take authority to issue treasury bonds and bills to a total nominal value of Kr.19bn. in the next fiscal year. The central bank will also be empowered to issue three, six and nine-month deposit certificates. The purpose is to provide the bank with the means to intervene in the long end of the bond market in order to prevent mortgage rates rising too much above the current level of about 13 per cent. effective rate. The tighter money policy will presumably delay the recovery of business investment and prevent an unwanted housing boom, but it was regarded as essential if domestic interest rates were to be held at a level preventing business from switching its short-term credits from foreign currencies into kroner, thus causing a drain on the slender currency reserves.

The re-emergence of a large external current deficit in recent months may cause the country's creditors to wonder whether Denmark is back on the path of persistently large deficits, which even before the oil crisis had some bankers worrying that Denmark's net foreign debt was on the large side. ... Kr.28bn. the net ... to-day is about 14 ... GNP.

But in the last co... considerable progre... made with policies ... bring about a bette... economic balance, ... eventually do much ... the Danish position ... has been dramatica... over the past year, ... from over 15 per ... to 9.6 per cent. in ... ured by the ... index.

The Social Democ... ment of Mr. Anker J... just entered its seco... it looks set for ... year following the ... agreement on econ... last autumn with th... sition parties. In add... demand stimulus m... agreement include... ments to prune publ... ture in the coming ... years and to preve... acceleration of infla... agreement has not re... bones of contention, ... narrowed the opportu... independent action on ... policy to the point w... country is being govern... kind of psuedo-coalitio...

The rate of inflation wa... when the Government in... in the collective wage ... last spring and impose... ment which has in effe... the increase of wage ... about 20 per cent. a ... 1972-74 to under 10 ... recent months. The Go... believes that the increa... sumer prices can be held ... about 8 per cent. this ye...

The OECD has for ye... telling the Danes that th... stabilise the growth of ... investment and public ... ture in order to shift r... into productive investm... exports. In the past two ... years they have ... industriously ...

The growth of publ... expenditure in consta... terms has been slowed ... level of 5-6 per cent. ... the 1960s and early 1970s ... 2-3 per cent. a year ... Last year was an excepti... investment expenditure ... fast after a freeze of new ... ment projects in 1973-74 ... unemployment benefits ... the figures. Projections o... Government spending ... next four years in consta... terms envisage virtua... increase.

Local government exp... will probably go on ris... siderably, but total publ... expenditure in constan... terms should from now ... roughly in line and ... slightly below the gr... national income. If a co... dent had written that in ... would have been greet... a laugh. Things have ch...

Icelandic Premier repeats hi[...]

BY OUR OWN CORRESPONDENT

COPENHAGEN, Ma[rch 2.]

ICELANDIC Prime Minister Geir Hallgrimsson to-day aired for the second time in two days the idea of an interim 100-mile fishing limit for British trawlers off Iceland but underlined that any new talks with Britain were absolutely conditional on the complete withdrawal of British frigates from Icelandic waters and increased understanding in Britain for Iceland's need

Speaking at a Press conference to-day Mr. Hallgrinsson said that a 100-mile limit was a possibility but at the moment was merely one argument for a solution. "If the British were to set themselves the same conditions in their conflict with Iceland as they set other members of the Common Market then they would stay outside the 100-mile zone."

"We (Icelanders) feel that people should be adult enough in this part of the world to settle problems without violence." He compared the conflict situation with Britain to Iceland's settlement with Germany.

Officials in Whitehall last night were "puzzled" at Mr. Hallgrinsson's reported remarks. Throughout talks on the fishing dispute the size of the British catch between 12 miles and 50 miles was the sole subject of discussion, they said.

The quantities of fish outside a notional 100-mile limit are negligible, and the temptation in London was to dismiss the latest Icelandic statement as irr... "On the face of it, it isn... to help us," an official sai...

● The British Foreign ... after pointing out that ... pute was about the size ... cod catch and that mos... catch was obtained in ... between 50 and 100 mil... the Icelandic coast, sai... are puzzled by this ... especially if Mr. Hallgr... intends it as a gestu... might enable talks t... again."

Danish action group formed

BY WILLIAM DULLFORCE

STOCKHOLM, Mar[ch 2.]

A number of Danish union officials have announced the formation of an action group, named "Nordic Solidarity," to help Iceland in its dispute over fishing rights with Britain.

In Britain, Mr. David ... national fisheries officer ... Transport Workers' Unio... a plea to the president ... Norwegian trade union ... ment to stop Norwegian ... interfering.

هكذا من الأصل

At £4,000 it's built like cars twice its price.

These days most £4,000 saloons are produced by run of the mill manufacturers.

And many are basically cheaper cars dressed up to justify a higher price.

For £3,875 we offer you a car of very different origins.

The Mercedes-Benz 200.

It's built with the same care, craftsmanship and raw materials as Mercedes models two and three times its price.

And it boasts many of their advanced engineering features.

It has all-independent suspension and four wheel disc braking. Like our award-winning S-class models.

And the very same secure body as our 125 mph 280E.

Inside, you'll find everything that's needed to ensure your safe arrival in true Mercedes fashion– relaxed and unruffled.

The major difference between the 200 and our other models passes almost unnoticed, under its bonnet.

It takes the form of an overhead camshaft two-litre engine.

Efficiently, it gives the 200 a top speed of almost 100mph and realistic fuel consumption of around 25mpg.

Attractive figures. But in these difficult financial times, Mercedes-Benz quality is perhaps its greatest saving.

It makes all our cars long on life. Low on running costs. And gives them some of the best resale values in the book.

So, although the 200's features make it the most expensive £4,000 car you can buy, they make it one of the least expensive to own.

Mercedes-Benz.
The way every car should be built.

Mercedes-Benz (United Kingdom) Ltd., Great West Rd. Brentford, Middlesex TW8 9AH. Telephone: 01-560 2151.

For enquiries about export and diplomatic purchases please contact [illegible]

Toledo dropped as Leyland revises Triumph range

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

THE TRIUMPH TOLEDO is being dropped from the Leyland Cars range as part of a rationalisation programme for Triumph's small- and medium-sized cars which also involves the extension of the Dolomite name over the whole series.

Since it was launched in 1973, the Dolomite has built up a stronger marketing image than either the Toledo or the 1500 TC, both unveiled two years earlier. Hence the adoption of the Dolomite name for the whole range, which Leyland says, will simplify advertising and marketing.

At the same time, the Toledo body shell, about five inches shorter than the Dolomite's will be discontinued in an effort to rationalise manufacturing. All the cars in the series will have the Dolomite body, although the present range of engines (1300 cc, 1500 cc and 1850 cc) will be retained.

Last year sales of the Toledo and 1500 models, which share the same basic engine and body-shell, dropped sharply in the U.K. from 30,400 in the previous year to 20,400. The Dolomite and Dolomite Sprint range also suffered, with sales of 9,800 as against 14,600 in the previous year.

Part of the decline was the result of industrial relations problems interrupting supply, but the range was also clearly affected by a general switch in the U.K. away from more expensive vehicles. Overall Triumph production dropped by only about 2,000 to 95,000 units.

Prices for the re-named series remain the same as before, despite an improvement in the specification of the cars. This includes the standardisation of head restraints, laminated windscreens, steering column wash-wipe controls, and radio aerials and speakers on all models.

The improved Dolomite range will be introduced progressively during the next few months, with the Dolomite 1300 replacing the Toledo during May and June.

Prices are: Dolomite 1300, £2,069; Dolomite 1500, £2,205; Dolomite 1500HL £2,440; Dolomite 1850 HL, £2,722; Sprint, £3,283.

Mining subsidence compensation likely to be increased by 50%

BY ROY HODSON

COMPENSATION for coal-mining subsidence is expected to be increased by about 50 per cent. above the present level of some £15m. a year, as a result of a new code of practice.

The National Coal Board has accepted voluntarily the recommendations of a Government working group on subsidence compensation.

Mr. Anthony Wedgwood Benn, Energy Secretary, explained yesterday in a written Parliamentary answer that Sir Derek Ezra, NCB chairman, was prepared to implement the recommendations on a voluntary basis and that the extra cost would be met by the NCB.

The working group proposed that compensation should be paid for all physical damage to household goods, furniture, stock in trade, plant and machinery, and fixtures and fittings caused by subsidence; that arrangements should be made for the avoidance or alleviation of individual hardship; and that farmers should be compensated for loss of crops so long as that persisted, and also for stock losses.

The working party also considered the question of structural precautions to lessen the risk of damage to new buildings.

High risk

They concluded that it would not be possible to oblige the Board to specify and to pay for such precautions.

The Board has indicated, however, that where there would be a high risk of damage from subsidence to new buildings, it would consider paying for special precautions.

Under the new code of practice the board would make extra payment for the permanent loss of a home or of a farm which cannot be worked profitably. For a home the payment would be between £150 and £1,500 depending on rateable value.

For a farm, the payment would be based on former yearly profits. Those payments would be in addition to full payment for the value of the home or farm seriously damaged by subsidence.

There will be payments for damage to crops or pasture land and disturbance payments will be made to tenant farmers.

The NCB has published a booklet containing details of the code of practice.

Moves made to buy SW insurance

BY MARGARET REID

TAKE-OVER approaches which could lead to the sale of Slater Walker Securities' insurance company are being considered.

It has been known for some time that the reshaped Board of SWS, which took over when Mr. Jimmy Goldsmith succeeded Mr. Jim Slater as chairman in October, would be a seller of Slater Walker Insurance to an appropriate buyer on the right terms. It is believed that a price of several million pounds is looked for.

One potential purchaser who has shown interest is a Continental company. Final decisions on selling the business, whose staff was not cut in the recent reduction of about 100 SWS employees, may be made after consideration of the results of the accountants' review of the whole group.

The results of this scrutiny, which has been carried out over the past four months by Price Waterhouse and Peat Marwick Mitchell, is very nearly complete.

But the final document, expected to run into thousands of pages, is not expected to be delivered to the Board for another week or 10 days. It should be ready just before Mr. Goldsmith, now on holiday, returns to London.

Meanwhile, outstanding loans on the banking side of the group have been significantly cut back below the £90m.-£100m. prevailing in October and a number of smaller properties have been sold, while some larger ones on the Continent may be disposed of soon.

No pronounced changes in the scale of operations of Slater Walker Insurance (SWI) appear to have taken place since the advent in October of the new Board of SWS, which set up a new investment committee with representatives of merchant banks Hambros and N. M. Rothschild and Sons. No indication of SWI trading result in 1975 has been given. In 1973 it returned a trading profit of £2.1m. but made no profit in 1974.

Protestant leaders spin out debate

BY OUR BELFAST CORRESPONDENT

PROTESTANT politicians last night prolonged the agony of the dying stages of the deadlocked Northern Ireland Convention.

They sought endorsement of all 29 conclusions contained in their original Convention report, which was rejected by the Government.

Protestant members tabled the conclusions on top of their already unwieldy motions, which in effect demand that the Government hold elections to a majority-rule Parliament in Ulster.

It seemed inevitable that the Convention would have to sit again to-day to conclude its winding-up stages.

The debate, at times acrimonious and recriminatory, semed likely to degenerate into a farce, with the 78 members trooping through the lobbies on most of the 29 points.

Mr. Merlyn Rees, the Ulster Secretary, is expected to report to Parliament as early as next Friday on the Convention's failure to reach agreement during its four-week recall.

In Belfast yesterday a court released Martin McGuinness, the reputed Provo leader in Londonderry, on grounds that there was insufficient evidence for the Crown to support a charge against him of membership of the IRA.

New deputy chairmen nominated for SE Council

By Margaret Reid

THE STOCK Exchange Council yesterday nominated Mr. F. T. (John) Powell and Mr. John Robertson as deputy chairmen designate to succeed Mr. David LeRoy-Lewis and Mr. Dundas Hamilton, who, by June, will have served for the usual three years.

The two new incumbents, to be formally elected on June 25, will take over only a few months after Mr. Nicholas Goodison assumed office as chairman in January, following his election after an informal vote of the council to succeed the late Mr. Michael Marriott. The top government of the Stock Exchange will thus receive something of a new look in 1976.

Through yesterday's decision, the Exchange will still have a jobber as one of its deputy chairmen. Mr. John Robertson, 42, and a member of the council for 10 years, is a director of jobbers Wedd Durlacher Mordaunt; Mr. LeRoy-Lewis, who is stepping down, has recently become chairman of jobbers Akroyd and Smithers.

Mr. Powell who, at 62, has served on the council since 1963, is one of the senior partners of brokers Powell Popham Dawes. Mr. Hamilton is a partner in brokers Fielding Newson-Smith.

It is understood that nominations for the two posts of deputy chairman were invited several days ago from council members. The exact number of nominations suggested is not disclosed, but it appears that the scrutineers were satisfied that Mr. Powell and Mr. Robertson were the council's clear choice and that there was thus no occasion for an informal ballot.

First British Concorde retired

By Michael Donne, Aerospace Correspondent

THE BRITISH-ASSEMBLED Concorde prototype, 002, makes its last flight to-morrow when it leaves the Concorde Flight Test Centre at Fairford, Gloucestershire, for the Royal Naval Air Station at Yeovilton, where it will be kept as a museum-piece.

Concorde 002 first flew in 1969, from Filton, near Bristol, soon after the first prototype, 001, had flown from Toulouse. During the flight test programme, leading up to the award of the certificate of airworthiness late last year, Concorde 002 made 437 flights, logging over 835 hours in the air, of which 196 flights, of over 173 hours, were supersonic missions.

As the test programme advanced, and modifications were built into subsequent aircraft, it became too expensive to keep updating 002, and the aircraft was withdrawn from the programme last year.

It has been handed over to the Science Museum by the Department of Industry, and will be kept alongside the Fleet Air Arm Museum of historic aircraft at Yeovilton.

By n[illegible] February the overall flight te[illegible] programme by all the Concordes built to date—ten aircraft, including the two prototypes and two pre-production aircraft—amounted to 2,532 flights, or nearly 5,720 hours, of which 1,559 flights, totalling 2,068 hours, were supersonic missions.

IN BRIEF

Solar sunset

The prospects for utilising solar energy in Britain are good in theory, but in practice the difficulties are so great that such use is largely irrelevant to the U.K. energy situation, according to a detailed study shortly to be published by the Department of Energy.

Rental sanity

The raising of council rents is "crucial to housing sanity," writes Sir Keith Joseph, Conservative "shadow" Minister responsible for policy and research in the journal of the National Federation of Building Trades Employers.

Platform rot

Buildings seriously affected by wood rot on Platform No. 2, at Peterborough railway station are to be demolished and temporary structures put up pending approval of plans for new buildings.

Water everywhere

The water industry should establish High Street shops similar to those of the gas and electricity industries, it is suggested in Water, the journal of the National Water Council.

EEC insurance

Mr. Francis Perkins, chairman of the Corporation of Insurance Brokers, is disappointed over the lack of progress towards unifying insurance services within the EEC.

Tankers cancelled

Cancellation of tanker orders in the four weeks to February 27 rose from 212 to 228, according to E. A. Gibson Shipbrokers.

Healey defends his policies in Wall St. Journal

MR. DENIS HEALEY, the Chancellor of the Exchequer, yesterday used the columns of the Wall Street Journal to contend that left of centre policies in Britain were not responsible for poor economic performance, writes Jurek Martin, U.S. Editor.

The journal, which has been frequently and sharply critical of the economic policies of the Labour Government, ran a long editorial alongside Mr. Healey's article. The newspaper, whose views are generally laissez-faire Conservative, repeated its belief that restrictive taxation lies at the heart of British problems, but drew some encouragement from the Chancellor's references to tighter control over the money supply.

The thrust of Mr. Healey's argument was to rebut what has been a popular American assessment of Britain. "Seen through Transatlantic spectacles," he wrote, "the British Government might appear as a panel of wise guys, drawing on the public purse, replacing the normal market financing of industrial investment with Governmental handouts, and making mistakes that the market would never have made. Nothing could be more wrong."

The root of the British problem, he went on, lay in low productivity and inadequate investment in the manufacturing sector. British industrial strategy—"a process rather than a policy"—was designed, through consultation with labour and industry, to identify prob[lems] and take corrective ac[tion].

"This is consistent [with] market process and financing," Mr. Healey [said]. [It] will also improve the [use] of Government [...] resources. The pre[sent] Government wishes to [...] extend beyond inve[stment] labour relations, over[all] strategy, productivity [...] else.

The Chancellor dev[oted] space disputing, thro[ugh] national comparisons, [the sugges]tion that British taxes [were] responsible for low gr[owth]. [He] argued that America[n personal] and corporate levies [were as] great and that in F[rance, Ger]many and the Sca[ndinavian] countries taxation [took a] higher part of gross nat[ional pro]duct than in Britain.

Directly confronting [his] critics, he maintained [that left] of centre policies [were not] responsible for lower growth in Britain any [more than] they are responsible [for the] almost equally low gro[wth in the] U.S."

The journal conce[ded in its] critique of Mr. Healey's taxation and Governm[ent bor]rowing. Acknowledg[ing the] validity of his internat[ional com]parisons, it noted: "Y[...] happy to see that la[...] article he accepts the [...] taxes can rise to 'un[...] levels,' which is why t[he] Government is at lea[st ...] about reducing public [...]

Institutions sponsor City information unit

BY MICHAEL BLANDEN

A NEW City Communications Organisation is to be set up with the backing of the leading City institutions to co-ordinate the provision of information within the City and for the public.

It is planned to establish a small City communications centre and Mr. William Clarke of the Committee on Invisible Exports is to undertake the initial organisation of this centre.

The moves are the result of the establishment in 1974 of a special working party under Sir Eric Faulkner of Lloyds Bank to look at the City's public relations. They are in a deliberately low-key and flexible form.

It became clear that the City would not accept a formal organisation parallel, for example, with the Confederation of British Industry as a spokesman for all its diverse elements. But it has recognised that there is room for improvement in the presentation of its activities to the public.

The members of the working party, it was disclos[ed], were Sir Eric, Mr. [...] Sir Francis Sandilands [of Com]mercial Union, Mr. Joh[n ...] Mr. Ian Fraser of Laz[ards], Mr. Dundas Hamilton, [deputy] chairman of the Stock [Exchange]. They are now to form [a ...]tive committee which w[ill ...] the new centre.

It is envisaged that t[he ...] will consist of an [...] director and a press o[fficer] to be appointed. T[he] organisation will also [have] a communications con[sultative] group on which the [...] City associations and [...] are being invited to [be repre]sented.

Sir Eric said that th[e centre] would not act as a s[...] or propagandist for the [City. It] would have a two-fold [role:] to provide a channel [of com]munication between th[e various] parts of the City; and t[o provide] a service to the media [direct]ing them to authoritativ[e sources] of information.

هكذا من الأصل

Scottish devolution split emphasised by report

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

DEEP divisions in Scot- a business community about Government's devolution posals were emphasised rday by a report from the ish Council (Development Industry).

e report urges the Govern- to grant the proposed ish Assembly greater omic, industrial and taxa- powers than those recom- led in the November White r.

e devolution of some trade industry powers, including mbly responsibility for all- nalised industries and ices operating in Scotland, ld not lead to the break-up he U.K. economy, the report

is finding is the more arkable since it comes only y after the Confederation of ish Industry's Scottish office ounced its fundamental osition to granting the mbly any industrial powers. he CBI's verdict was that the mbly was unnecessary, could be a waste of money and lead to confusion, disputes and delay in decision-making on matters affecting business.

This conclusion is shared by the Association of Scottish Chambers of Commerce, which has said that the conflicts inherent in creating an elected Scottish Assembly were likely to lead to the separation of Scotland from the rest of the U.K.

However, the Scottish Council, a research and promotional organisation funded by industry, commerce, local authorities and trade unions, criticises the Government for "setting such narrow limits on the measure of industrial devolution it thinks fit for Scotland."

It accuses the Government of resting its case on the "inviolability of the economic unity of the U.K." without setting out the reasons why this unity was important to Scotland.

The Government's proposals did not reveal a bright prospect of economic rebirth.

*In a passage reflecting the Scottish TUC's membership of the council, it says the assembly lacked any right of intervention in either the private or public industrial sectors, while there would be entrenched centralised control of such bodies as the Scottish Development Agency and the Highlands and Islands Development Board.

The council disagrees with the Government's proposals for funding the assembly, through a block grant allocated by Westminster, and for restricting the assembly's taxation power to a 10 per cent. surcharge on local rates.

The council suggests there should be substantial devolution of the power to tax, and this should be related to the need to generate economic growth.

In addition to receiving its own share of common taxes, the assembly should be empowered to levy and vary other taxes "as a deliberate instrument of development."

Amoco group's Celtic Sea first

BY RAY DAFTER, ENERGY CORRESPONDENT

E AMOCO offshore group, sisting of Amoco, the British Council and Mobil, is to l its first exploration well in Celtic Sea.

he group said yesterday it nned to drill on one of its ee blocks in the area—103/21, /26 and 93/6—which lie th-west of Milford Haven.

The rig, which has not yet been cified, will operate from the mbroke Dock terminal of ltic Sea Supply Base, where oco and its associates have a sed area of covered and pipe- rd storage, office space and access to a deep-water jetty.

The progress of the Amoco group, in which the three partners have an equal stake, will be watched with interest by other offshore operators.

So far little drilling has been carried out in the Celtic Sea area as companies have tended to concentrate on the more attractive prospects in the North Sea. Results from early wells have not been particularly encouraging. A well drilled on block 93/2 was abandoned by British Petroleum.

BP's dry hole on what appeared an interesting structure was regarded by the oil industry as an initial blow to the potential of the area.

Last month Amoco, which is the marketing and refining company of Standard Oil Company (Indiana), announced completion of a £4m. expansion at its Milford Haven refinery, increasing the capacity from 80,000 barrels a day to 108,000.

● Deutsche BP will begin drilling operations early next summer in the north-west part of the German North Sea shelf area, the BP subsidiary said yesterday. In this area Deutche BP and Gulf Oil each has a 50 per cent. share in the concession blocks B 15 and C 16.

ICI man to head NEB in North

THE NATIONAL Enterprise Board has appointed 54-year-old Mr. Gerald Connolly as its director for the North.

Mr. Connolly, who will be based in Newcastle, is a director of the agricultural division of ICI at Billingham. He takes up the appointment, at an undisclosed salary, on April 1.

His task will be to find worthwhile proposals for industrial investment by the NEB in the northern region, and to secure efficient management of companies in which the NEB has an interest.

He said yesterday he thought it would take 10 years for the NEB to make an impact on the industrial structure of the region. "We have no slick answers to the region's problems."

The NEB would apply a "commercial yardstick" in investing. It hoped to take part of the equity of firms it assisted.

He did not preclude buying shares on the market "just like any other company could do."

The Newcastle office will have less than a dozen staff and Mr. Connolly's first priority is to find an assistant with the financial experience to make thorough company appraisals.

He said one of the region's biggest weaknesses was its need to import many key engineering components. Local supply industries were still too geared to declining industries.

The NEB has already appointed a director for the North-West, based in Liverpool. He is Mr. Arthur Ward, who took up his appointment in January.

RED ARROW BUS ROUTE WITHDRAWN

Red Arrow route 505, a Monday to Friday peak hours service linking Waterloo and Charing Cross with Piccadilly Circus and Oxford Street, is to be withdrawn after April 23 because of poor custom, London Transport says.

● NEWS ANALYSIS—EXPENDITURE COMMITTEE

Politicians in the firing line

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THERE WAS an atmosphere of tension in Westminster and Whitehall yesterday as Mr. Joel Barnett, Chief Secretary to the Treasury, and officials prepared for this afternoon's hearings on public spending by the Commons Expenditure Committee.

Treasury officials have already been summoned with unprecedented speed to two committee hearings within ten days of the publication of the White Paper on official expenditure plans for the rest of the decade. To-day is the day on which the Treasury's "political masters" are to be faced with questions that officials, under the present system, can sidestep as being out of their province.

It is also the day on which CBI and TUC leaders meeting Cabinet Ministers under the Prime Minister's chairmanship at the National Economic Development Council have *their* chance to question the Government on the plans unveiled in the White paper.

Optimistic

A Treasury official was not joking when he said in private some weeks before publication that the Press was going to have fun with the latest White Paper. Indeed, it is as full of meat as the best of butchers' carcasses.

A good start was made on the topside—the excess public expenditure now indicated for the current and coming financial years: then came the lees—the big increase in the burden of debt interest—leaving the rather thin shoulders—the cuts projected for later years—somewhere at the back of the freezer.

It was a full week before commentators got their teeth into the rump—the extraordinarily optimistic assumptions about the overall performance of the economy for the period 1974-1979, which the Treasury is alleged to be making.

The general reaction of gloom and despondency to the public expenditure figures for 1975-76 and 1976-77 and the weight of debt interest is hardly surprising. As Professor Harry Johnson once said: "In any kind of rational model people will realise that when the Government debt increases their future taxes will also increase; consequently, we cannot assume that, if they are rational, they will feel richer than they would if the Government debt were smaller and taxes also smaller."

Cooked

The serious charge being levelled, however, is not so much on the expenditure and debt interest charge as on the Treasury projections for the British economy's medium-term outlook. Having read the work of the expenditure committee's special adviser, Cambridge economist Mr. Terry Ward, one Sunday newspaper asked in its headlines: "Did Treasury cook the books?"

Nobody who knows his Treasury or his human nature should be surprised to learn that, when asked on Monday whether the Treasury *had* cooked the books, Mr. Fred Jones, a deputy secretary, said such charges were "utterly absurd and completely without foundation."

It would be a gullible person indeed, however, who took this answer without any reservations. The gravamen of the charge against the Treasury—or rather, against the Chancellor who actually *presents* the White Paper to Parliament—is that, if not cooked, the books have at the very least been allowed to simmer in a manner not wholly in accordance with an objectively, ice-cold approach to the British economy's prospects.

The main cause for complaint is the table presented on page six of the White Paper entitled "The Growth and Use of Resources 1974-79." There is something in this table (or not in it) for everyone. Its message can be read as saying that, after allowing for the prior claims of public expenditure, industrial investment and the balance of payments, there is going to be precious little scope left for consumer spending.

But it could also be suggesting that the U.K. is about to experience a faster growth on industrial investment and exports than ever before, and that in some mysterious way this is not going to be accompanied by the usual overheating and surge in imports which has caused many a "stop" in the past, within months of a switch from amber to "go."

Equally, the message could be that—the components aside—the U.K. will from now on experience a growth rate in gross domestic product of around 4½ per cent. a year on the Government's "central assumption"—a rate which may be low by the standards of our international competitors, but which is relatively fast by comparison with past experience.

Implausible

On the suggestion that the implied growth in exports—some 7½-8 per cent. a year—is implausible, the Treasury's Mr. Jones said on Monday that, if high, this figure was "not impossibly so."

There is no doubt whatsoever, though, that however much they stonewall in public, Treasury officials have grave reservations about the table. These are even apparent in the text of the White Paper, where it is stated, first, that it would be "imprudent" to rely on growth at the "higher case" rate of over 3¾ per cent from (1974-1979) and, second, "but there are also greater risks on the downward side.

"The serious rate of inflation may have checked the growth of productive potential . . . the lower growth case (of) just under 2½ per cent. per annum should therefore be regarded as purely illustrative *and not necessarily as a lower limit*" (my italics).

Miracle

One could, no doubt, put in a 100 per cent. growth rate for the British economy and describe it as "purely illustrative."

We have lived through various planning exercises and highly coloured illustrations for many years now, but very little has changed and North Sea oil is only expected to make a marginal contribution to the U.K.'s growth ra'

The industrial investment miracle has already been laughed out of court by industry economists, implying, according to some calculations, an industry cash deficit of some £20bn. if the Government projections are realised.

The signs are that the Treasury is already playing down its medium-term forecasts and that the paper presented to NEDC members this afternoon is much watered down, putting the emphasis on the hope that industrial investment will soon turn round and that industrialists will identify and act to avoid major bottlenecks before the next upturn.

But why is such backpedalling necessary? For several years now the Treasury has presented the expenditure White Paper as an "exercise in public education" and asked for comments on how it can be improved. The hard truth, however, is that political considerations always intervene and somebody, somewhere, tries to fudge.

Imperial measures to go

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

HE GOVERNMENT introduced Bill yesterday which would ve it power to phase out and strict use of Imperial measures. enables the Government to troduce a cut-off date for use Imperial sizes and remove ie of the main disincentives to troduction of metric measures.

It will also give the Government the power to make Orders specific cases suspending atutory restrictions on marking. This is designed to prevent repeat of the situation at the ne of the sugar shortage, when aders were in breach of the w when selling sugar in metric icks rather than prescribed nperial packs.

The Metrication Board, which is long called on the Government to demonstrate its termination on metric easures, said yesterday that the gislation would "clear the way r the full-scale introduction of etric measures."

A main disincentive to metric measures has been the obligation on manufacturers of goods sold in prescribed quantities to mark their products not only with the new metric measures, but also Imperial. If the Bill becomes law this obligation will be removed.

In repeated annual reports the *Metrication Board* has called for a change in the Weights and Measures Act to end the necessity to double-mark certain goods and to set a terminal date for use of Imperial measures. The Board said yesterday that the Government was now doing what retailers and consumer organisations had requested.

The change to metrication was to have been "substantially" completed by the end of last year, but in its last report the Metrication Board said transition was running "several years" late.

Higher air fares bid for Belfast

By Our Aerospace Correspondent

FARES ON the London-Belfast air route will rise on May 1 from £23 tourist single to £25 if applications by British Airways and British Midland Airways are approved by the Civil Aviation Authority.

This increase is greater than that already sought by British Caledonian Airways, and criticised by BA, on the route from London (Heathrow and Gatwick) to Glasgow and Edinburgh, where the rise is £1, from £23 tourist single to £24

Another feature of the BA and British Midland applications, is a new London-Belfast tourist execursion return fare of £35 between October 1 and June 30, and also a mid-week return fare of £40, available between July 1 and September 30.

All these applications will be discussed at a public hearing by the CAA in London on March 30. This meeting could produce some sharp exchanges between the major domestic airlines, especially since BA objected strongly to the recent CAA decision giving BCAL a cheaper week-day off-peak fare from Gatwick to Scotland than that permitted from Heathrow.

This dispute over domestic trunk route fares could be further inflamed by another application by British Airways—to introduce a week-end Shuttle "stand-by" fare of £14 single between Heathrow and Glasgow.

This would undercut the BCAL tourist off-peak week-end single fare of £15.50 available between Gatwick and Glasgow, which BCAL wants to raise to £16.50.

New talks soon for doctors

By Donald Maclean

THE NEXT in the series of meetings between doctors and Government is expected this week or early next. There were meetings on Monday and last Thursday.

Behind the increasing frequency of these meetings is the struggle between doctors and Government over separation of private practice from the National Health Service.

A letter was sent last week by the Health Department to area health authorities offering detailed guidance on the way in which phasing-out of pay beds from the NHS should be conducted.

The Government has decided to introduce legislation before the Easter Parliamentary recess to bring about separation, in spite of objections from doctors

Some anxiety has been expressed in medical circles at the fact that the proposals for the area health authorities cover in total more than the 1,000 private beds which would be excluded from the NHS within six months of legislation under the terms of the programme put forward by Lord Goodman which led to hospital consultants suspending their recent industrial action on the issue. But the Department has made it clear there wil be changes before a schedule is published to reduce the total to 1,000 for Great Britain.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● MATERIALS

Retains heat and rejects noise

JUST LAUNCHED on the European market from the Glaverbel centre in Brussels and to be promoted actively on the U.K. market in the near future is a doubled-leaved thermally insulating window system claimed to be a world first by its developers.

Thermoplus is the name of the glazing which has the excellent insulating coefficient k of 1.5, compared with the 1.8 for three-leaf glazing, 2.6 for ordinary two-leaf thermal glazing and just over 5 for a single sheet of 6mm glass.

This is from a system which has a total thickness of 24 mm. against 42 mm. for three leaves and 24 mm. for standard double glazing.

Glaverbel describes Thermoplus as a second generation glazing and its laboratories have worked very closely with research workers at the University of Leuven to develop it.

One leaf is of transparent, tinted or reflective glass and the other is a glass on one side of which a fine layer of metallic oxides of neutral tint has been applied.

No misting

The air between the two leaves has been replaced with argon and misting is prevented by the use of a desiccant contained in an appropriate holder. Air-tightness is ensured by means of a double joint and an option is an aluminium frame.

The most important advantage is the 42 per cent. gain in thermal insulation compared with traditional double glazing. Independent tests carried out by the Shell group in Belgium show that for each square metre of glazing of this type installed, a house owner could expect to save 45 litres of fuel oil a year in central heating.

There is no need to provide for special window framing, but close attention to sealing around such frames is essential.

Cold zones are practically eliminated since the surface temperature of Thermoplus will be around 12.6 degrees Centigrade when external air temperature is minus ten, where standard double glazing would be at just under nine degrees.

It is possible to ring many changes by specifying various types of glass for one or both leaves—tempered glass, laminated glass with an interleaving of butyl plastic etc. The company is guaranteeing air-tightness for ten years.

Noise reduction

With Thermoplus, the company has launched a sound-insulating glazing system called Phonibal. It is available in two forms, one containing a heavy inert gas between the two leaves and sealed with a metallic joining and a second in which one of the leaves is a laminate. Various changes can be rung as to the type of glass used but overall the sound reduction possible, based on ISO standard tests, lies somewhere between 36 and 44 decibels, which is remarkable for glazing between 21.5 and 35mm. thick.

Where noise from aircraft and traffic is a problem, these various types of double glazing are recommended and they have been designed specifically to avoid the need for special framing.

The answer to the problem of the do-it-yourself enthusiast is Isolit S. This is a second window which would be installed inside existing windows, swung on slim hinges and butting up against strips of foam plastic glued to the window frame. The glass is toughened and carefully bevelled and screw fasteners draw it tightly to the plastic. The company agrees that the insulating power of such systems bares no comparison with the foregoing. But where it is not possible to install double glazing this provides a good degree of protection from noise and heat loss.

It is not really going from the sublime to the ridiculous to say that the company has also solved the irritating and all too familiar problem of where to put a glazed picture so that it can be seen without multiple reflections either from windows and light fittings or of the face of the beholder.

The answer—simple—is to supply sheets of glass of which one surface has been treated by a process akin to sand blasting so that it presents a matt aspect yet permits perfect visibilty of the picture it protects. With the glass in a range of sizes go corner pieces and light chains to hold them together and provide a ring for a wall hook. Sales in large chain stores are to start soon.

Glaverbel, Chaussee de La Hulpe 166, 1170 Brussels, Belgium.

Gold print by offset

BRONZE flake so fine that only one gramme will cover 10,000 square centimetres is the latest product to be offered by the specialists in the manufacture of metal powders and pastes, Van Lerberghe of Kortrijk, Belgium.

Van Lerberghe is the only manufacturer of such products in the Benelux area and a major supplier of aluminium powders to the lightweight concrete industries of western Europe. It is actively considering setting up a centre in the U.S. where many of its products are already finding a ready market.

The attraction of the ultra-fine bronze powder is the possibility it offers of printing labels, packages, quality paper and even newsprint with a whole range of "gold" tones by offset methods instead of the far more expensive gravure systems.

It is believed to have double the covering power of equivalent bronze formulations from the competition and is the result of the company's know-how in the control of manufacture from high quality electrolytic metals, to produce the thin flakes needed to give dense, reflective surfaces.

The company is offering 96 different shades of bronze/gold and will make to order.

● ELECTRONICS

Buttons get the bands

THOSE audiophiles and professionals such as disc-jockeys who play banded long playing records—mainly popular and light music—will be interested in the band-selecting remote controlled playing deck launched world-wide yesterday by BSR.

With the cartridge at the end of the pick-up arm is an infra-red diode emitting a downward beam which is properly reflected from the disc surface only when immediately over a blank band separating the music sections. In the modulated sections the light is scattered.

Thus the device can, via a photocell, count the number of bands it has passed as the pick-up swings out and the arm can be stopped according to instructions provided by a programming unit.

The press-button instruction unit (a button for each of 13 bands) is built into the front of the deck but is also duplicated on a cordless ultrasonic hand-held unit. This can be used anywhere in the room and works via cable into a spherical-shaped receiver wired to the deck that can be placed conveniently, or even put in a different room. The programs are held in MOS integrated memory circuits in the deck.

Called Accutrac 4000, the unit has a direct spindle driven turntable and will retail at about £300. Cheaper models are planned for the Autumn. BSR is at Powke Lane, Cradley Heath, Warley, West Midland B64 5QH (0384 69272).

Control for couplings

AN electronic controller for eddy current couplings is offered by Alan Bennett, Orgreave Close, Sheffield, S13 9NP (0742 693281).

Using thyristor and integrated circuit techniques, the new unit will prove useful in replacing many of the older thyratron types of controller, spares for which states the company, are becoming increasingly difficult and expensive to obtain. System redesign should be possible, too, making the automation of previously open loop control schemes both technically and economically possible.

The unit works from 200/250 V 50/60 Hz single-phase supplies, giving an output voltage which is adjustable to a maximum of 180 V at output current of seven amps DC maximum. Control can be either local or remote and constant torque arrangements, speed holding accuracy of 0.5 to 1.0 per cent. of maximum speed dependent on the characteristics of the coupling, are standard.

Special features include torque limiting, control from a milli-ampere signal derived from a temperature controller or other transducer, and acceleration/deceleration control.

● AVIATION

U.K. controller for Boeing STOL

MARCONI, which has already made a considerable dent in the U.S. market for sophisticated head-up displays, is again making avionics history by delivering advanced equipment under the noses of powerful U.S. groups—this time the digital flight control electronics for Boeing's new STOL YC-14 transport aircraft.

The components for the most significant sections of the control system are already with Boeing and the complete array is scheduled for delivery this month.

Aim of the EFCS is to improve the performance and handling qualities of the advanced aircraft. It senses aircraft movements and pilot commands and feeds the resulting data into a triplicated computer array, output being instructions to flight control surfaces and motors which will provide the required responses.

One innovation in the three-computer array is the use of fibre optic coupling to provide data paths with no electrical loading so that failure of one machine could not affect its companions.

First test flight of the YC-14 is for this summer.

Marconi-Elliott Avionic Systems, Airport Works, Rochester, Kent. Medway (0634) 96333.

● COMPUTERS

NCB leans to ICL

POWER available from the NCB's own computing services will go up considerably when it takes delivery of the £1.7m. worth of 2970 and peripherals just ordered from ICL.

Compower, operating six major centres around the country to serve the National Coal Board and some 800 other users, was running ICL and IBM equipment in roughly equal numbers. The advent of the large machine with its extensive peripherals will tip the balance quite a distance in favour of ICL.

ICL says the choice of the 2970 was made to provide the multi-centre bureau with improved database manipulation. The 2 Mbytes of store and 2,000 Mbytes of fast access equipment will support such work.

Just a small part of an order for 250 miles of welded steel pressure tube which will be used in North Sea oil processing plant. The tube is being made by Tube Products, of Oldbury, West Midlands, for A. F. Craig and Co., of Paisley which is building shell and tube heat exchangers for Bechtel International for Occidental's North Sea plant at Flotta in the Orkneys.

● OFFICE EQUIPMENT

Low-cost scientific machine

STILL the prices of scientific calculators show a downward trend. Latest contender is a 100 step programmable machine from Novus with reverse Polish notation and four level memory stack priced at £75. Called the 4525, the machine is available without programming as the 4520 at £46.50.

Both have single key functions throughout and the fully floating decimal and eight digit LED display remain illuminated for about 30 seconds after each keyboard entry. The display then shuts off to conserve power. The register contents remain unimpaired and are recalled simply by recommencing keyboard instructions.

The usual maths and trig functions are included plus keys for pi, root, reciprocal and exchange register. Keyboard instructions are displayed via the "x" register: entry of the second set of figures takes the first display into the "y" register.

A skip key allows the user to jump past entire programs to access others. More than one program can be stored and will remain intact until the machine is switched off. Novus, which is part of National Semiconductor, is at 19 Goldrington Road, Bedford MK40 3LF (0234 211262).

Microfilms printed to new format

IMTEC AO is a printer which will reproduce microfilmed drawings up to the European and U.S. AO format (34 inches x 44 inches)—a recently adopted international standard.

A full production printer, the AO was designed by the Martin Seib organisation and developed jointly with Harper Tunstall, drawing office and reprographic specialists of Wellingborough who will be manufacturing the unit for IMTEC.

From a seated position the operator of the AO can exercise complete control in producing high contrast prints between A4 (7.4 x) and the new AO standard (30 x). The machine will permit accurate scaling and the printing of selected areas of the frame, with full provision for the programming of long print runs.

All microfilm inputs including aperture cards, roll film, fiche, jackets and C.O.M. and positive prints can be obtained from positive and negative film alike. Exposure times vary according to image size from ¼ to 4 seconds.

Automatic paper feed in five sizes and a by-pass feed system for non-standard papers are provided. There is a viewing screen with film scanner as well as self-adjusting focus and exposure timer. Automatic ink density control and a number of additional options make this unit one of the most advanced microfilm printers on the world market.

A first user installation is being delivered towards the end of March.

IMTEC Microfilm, 63, High Street, Nailsea, Bristol. Nailsea (02755) 4370.

● PROCESSING

Microwave power for industry

A HIGH power multi-cavity klystron designed with industrial, scientific and medical applications in mind has been introduced by Thomson-CSF.

Able to generate up to 50 kW of continuous wave power the TH 2054 has an electrical efficiency of about 64 per cent. and requires drive power of 700 mW at the operating frequency of 2450 MHz, obtainable from any of a large number of commercially available solid state sources. Design features include a long life impregnated tungsten cathode and an integral ion pump.

There are separate body and collector cooling circuits: the body is cooled by circulated water while the collector is designed to allow cooling either by the Vapotron technique or by a conventional cold water circuit. The beam focusing electromagnet is also water cooled.

As with all klystrons the tube can inherently operate into a wide range of non-matched loads. But in the processing of material in industry the load can show a large variation and to keep within operating limits a waveguide section transformer is used. More from Bell Road, Daneshill, Basingstoke, Hants (0256 29155).

Hot melt adhesive systems

TWO ADDITIONS to the Thermopulse range of hot melt adhesive systems have been introduced.

The 1600 can be used with two guns, has a maximum fluid pressure of 600 psi and a tank capacity of 325 cubic inches: the 40000 can operate up to four guns, has a fluid pressure of up to 1,000 psi and a tank capacity of 740 cubic inches.

Cast aluminium is used for the adhesive reservoir, which has an integral heating element, and can be operational from cold in 30 to 45 minutes. The separately heated pump has an air motor with an electrical changeover unit which is stated to give a pulse-free uninterrupted flow during the reversal of the reciprocating motor.

The distribution hoses are externally heated, and have a ptfe lining, stainless steel braiding with silicone insulation, and a polypropylene cover. Each hose has a temperature regulator.

Details from the maker, Spray Finishing Systems, Hampden Park, Eastbourne, Sussex BN22 9AE (0323 52155).

Flawless tube in copper

A NEW copper tube process line for Yorkshire Imperial Metals has been installed by Head Wrightson.

The tube straighten and cut-to-length line forms part of a major extension to the Kirkby Works of Yorkshire Imperial Metals aimed at increasing the output of small bore tubing particularly with thin walls.

Designed by Head Wrightson, the line follows a continuous cycle of uncoiling, pre-straightening and cleaning. Tube then passes through a 14 roll straightener to an ovality correction unit. Any flaw present in the tubing is detected by eddy current equipment. The tubing is cut by a flying shear and the required lengths are discharged into "good" or "reject" pockets.

Hard drawn tube with a maximum outside diameter of 1.125 inches, 0.065 inches wall (min. 0.25 outside diameter, 0.010 inch wall) is produced in lengths of 15 to 40 feet. Maximum throughput is rated at 400 feet per minute with a cut to length accuracy of 0.50 inches.

Head Wrightson is at Yarm, Cleveland TS15 9DA. (0642 781010).

● CONSTRUCTION

Hinge will take big strains

HINGES are as commonplace and unnoticed as the button was before zips were invented. Now, Indalex, an RTZ company, is about to launch into the U.K. a new concept of hingeing that could effect the same kind of revolution. Called Rotalex, the new hinge system is a continuous extrusion product that, in many instances, can be integral with manufactured components such as aluminium door jambs or partition frames.

The system consists of two leaves held together by a covering channel which, running the whole length of the components, provides the joint with great strength. The two leaves do not twist one against the other, but roll on their extruded fluting as gears roll, thus reducing wear.

The Massachusetts Institute of Technology has carried out a wear test on identical 150 lb doors: One fitted with 4.5-inch steel bearing hinges and 0.134-inch thick leaves failed after being slammed 507,000 times; whilst the test on the Rotaflex-fitted door was discontinued after 1 million slams without signs of failure.

Subsequent measurements showed that the lateral inclination at the top of the steel-hinged door was 55 times greater than on the other door.

Because the weight of the moving components is taken on the whole length of the hi[nge] extremely heavy sections can [be] hinged without distortion [and] can be swung open or closed w[ith] a minimum of force. In tests [a] 2,000-lb X-ray room door [was] swivelled easily under nor[mal] hand pressure.

A report provided by [an] American designer of extruded hinge lists 35 steps [in] the manufacture and assembly [of] the conventional hinge, compar[ed] with 7 steps for the Rotalex.

There is even a design stu[dy] afoot for lightweight landing pa[ds] that can be carried by helicopt[er] and unfolded rapidly and p[re]cisely to create optimum landi[ng] conditions on otherwise unsu[it]able terrain.

Indalex System Hinge Divisi[on] Cheltenham, Glos. GL5 9[...] (0242-21641).

GEC woos smaller users

LOWER IN cost and [...] aspects of performance, [...] GEC 4070 has a nominal [...] cycle of 800 nanoseconds [...] 550 for its big brother GEC 4080.

Nevertheless, core sizes [...] from 64k to 512k bytes, the [...] size plus a number of perip[herals] controllers fitting into two [...] cabinets.

The same peripherals [...] used, including Camac [inter]faces and Opus, the [...] multi-access system design[...] GEC Computers, can als[o be] installed on the basis of a [...] which is compatible with [...] larger machine.

GEC Computers, Elstree, Borehamwood, Herts. 01-953[...]

Warns whe[n] environme[nt] is wrong

A UNIT for monitoring a nu[mber] of aspects of the environme[nt in] computer rooms, clean ass[embly] areas, first aid stations [and] similar locations has [been] developed by Winton La[bora]tories and will be offered as [part] of a complete service.

Main aim is to give [...] early warning of any dete[riora]tion in a particular environ[ment] so that corrective action c[an be] taken—at less cost than [...] source and form of the tr[ouble] remains undetected, for exa[mple] the corrosion of metal [...] resulting from atmospheric [con]stituents.

Ambient air flow is moni[tored] by means of cassette filters [which] are returned to the laborat[ory] at intervals where they [are] analysed and client reports [are] prepared.

In addition the unit ca[n be] fitted with modules for re[cord]ing transient mains vo[ltage] fluctuations, and the frequ[ency] and amplitude of the [...] Other options are tempera[ture,] relative humidity and presence of specific gases. [...] of the service is in most [cases] less than £100/month. More [...] 54 Cheam Common [...] Worcester Park, Surrey [...] 8RH (01-337 0731).

Support for Xerox units

HONEYWELL Information [Sys]tems has completed agreem[ents] under which Honeywell ass[umes] responsibility from March 1 [for] the maintenance and mark[eting] services of the mainframe [com]puter business formerly ca[rried] out by Rank Xerox Data Sys[tems] in the U.K.

Xerox in the United States [will] continue to produce mainfr[ame] computers and peripheral eq[uip]ment to meet outstanding or[ders] and Rank Xerox will continu[e to] fulfil existing customer com[mit]ments until the end of this y[ear]. Thereafter, Honeywell Info[rma]tion Systems will be taking [over] all engineering support functi[ons].

Honeywell is now enga[ging] some 80 employees of [Rank] Xerox Data Systems in the [U.K.] in field services and softw[are] support and will be respons[ible] for 40 Xerox installations inc[lud]ing a number in major serv[ice] bureaux.

● By agreement between th[e] Financial Times and the BB[C] information from The Technic[al] Page is available for use by th[e] Corporation's External Servic[es] as source material for its ove[r]seas broadcasts.

SE TURNOVER IN FEBRUARY

Less Gilts activity leads to 37.6% fall in turnover

An overall fall in Stock Ex-ange turnover in February as ompared with the previous outh's record was mostly be-use of lessened demand for ilt-edged securities.

From January's £16.8bn., over-ll trade fell £6.3bn., or 37.6 per nt. to £10.5bn. The month's tal still bettered any month's ade in 1975 with the sole ex-eption of January when the mparable figure was £11bn.

On uncertainties about the ntinuation of the recent fall international interest rates, ilt-edged turnover last month ropped 42.6 per cent.—£5.8bn. value—to £7.8bn. Short-dated ilts, traditionally more in de-and than later maturities in mes of uncertainty, remained latively active with the num-er of bargains amounting to 5,021 against January's 28,238 nd an average value per bar-ain of £222,052 compared with 280,076.

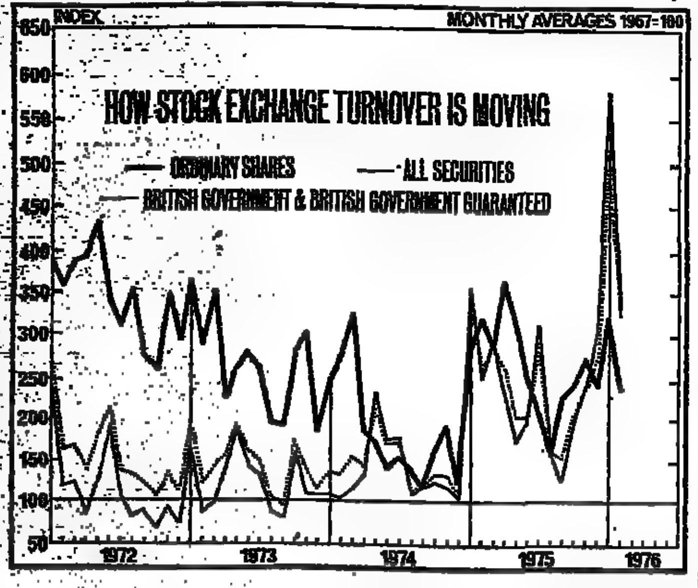
Other Gilts showed a drop in e number of bargains from 1,382 to 32,187 with the average alue per bargain reduced from 124,169 to £72,136.

Reflecting the reduction in rade, the FT Government ecurities Turnover index fell ɔ 333.4 (580.9 in January), hile the Government Securities tocks index mirrored the fall demand with a loss of 1.75 rom the January 30 1975-76 eak to end the month at 63.46.

As in British Funds, trading ctivity in equities declined but a lesser degree. Business olume was down £0.5bn. to 1.3bn. in value, a fall of 25.5 er cent., while the number of ealings contracted by 69,728 to 56,818. The average value per argain fell from £4,217 to 3,753, still above the average for 1975 of £3,500. The FT Turnover Index for Ordinary shares lost 25.5 per cent. on the month to 239.0 which compares with the 1975 average of 260.9.

Sentiment in equities was adversely affected by a combination of factors apart from the easier trend in Gilts. Fears about the implications of the Government's White Paper on projected cuts in public expenditure was one factor that weighed quite heavily on sentiment, while investment was further restrained by the growing list of "rights" issues.

In the event, The FT 30-Share Index, from an end-January level of 417.4 (the 1975-76 peak) fell back to around the 400 mark in the first half of the month and on February 20 went as low as 389.1 at the 1 p.m. calculation as the market digested the public spending White Paper. There followed over the course of the next four trading days a recovery to 410.2 and the index ended February at 405.2.



Despite a rise of $4 to $128.5 an ounce in the price of gold bullion over the month, sentiment in South African Gold shares was dominated by the turmoil in Angola. The current cloud of uncertainty about the southern African political situation in general and Rhodesia in particular led to heavy selling of gold shares which resulted in a drop of 31.4, or 14.6 per cent., to 183.9 in the FT Gold Mines index during February.

Category	Value of all purchases and sales £m.	% of total	Number of bargains	% of total	Average value per day £m.	Average value per bargain £	no. of bargains per day
British Govt. and British Govt. Guaranteed:							
Short dated (having five years or less to run)	5,560.0	52.9	25,021	5.3	277.8	222,052	1,251
Others	2,321.9	22.1	32,187	6.9	116.1	72,136	1,609
Irish Govt.	734.6	6.9	4,663	1.1	36.7	157,529	233
U.K. local authority	380.7	3.6	5,747	1.3	19.0	66,237	287
Overseas, Govt. provincial and municipal	15.3	0.2	2,116	0.4	0.8	7,214	106
Fixed interest stocks Pref. and Prefd. Ord. shares	148.9	1.5	39,512	8.4	7.4	3,768	1,976
Ordinary shares	1,339.2	12.8	356,818	76.6	67.0	3,753	17,841
TOTAL	10,496.3	100	466,064	100	*524.8	*22,521	*23,303

* Average of all securities.

APPOINTMENTS

Main Board posts at ICI

Mr. F. J. K. Hillebrandt, the Treasurer, and Mr. J. R. Ibbs, general manager—planning, have been appointed directors of IMPERIAL CHEMICAL INDUSTRIES. Mr. A. E. Frost, finance director, and Mr. J. H. Townsend retire from the Board on March 31.

★

Mr. Bryan Hedley, general sales manager of LYONS MAID, has become sales director, and Mr. Finlay McPherson, marketing manager, has been made marketing director.

★

Mr. A. F. Evans, general manager, has been appointed to the Board of CAMBRIAN BOARD MILLS, a subsidiary of Reed and Smith Holdings.

★

UNITED INTERNATIONAL BANK has appointed Mr. W. E. Davis as secretary, in addition to his other responsibilities as the bank's senior manager—operations.

★

Mr. Tony Hickman, a partner in Suttons, has been elected the first president of PROPERTY AGENTS INTERNATIONAL. He will be installed at the annual conference to be held at the end of April.

★

Mr. John Wheeler has been appointed director general of the BRITISH SECURITY INDUSTRY ASSOCIATION. This is a new post within the association and he will be the first full time executive. Mr. Wheeler was a senior officer in the Prison Service. From 1968-73 he was assistant governor at Brixton and Wandsworth prisons.

★

The WELSH DEVELOPMENT AGENCY has appointed Mr. Tony Pender as commercial director from April 1 to succeed Mr. Ron Sedgwick the former commercial director on the Welsh Industrial Estates Corporation who is retiring.

★

Mr. D. A. Hodson, managing director of EMPIRE DAIRIES and marketing director of the New Zealand Dairy Board in the U.K., has retired. He has been succeeded by Mr. S. T. Murphy, formerly general manager of the New Zealand Dairy Board in Wellington, New Zealand.

★

Mr. S. Smith has become financial director and Mr. J. C. Guttridge, technical and works director of CORK GROWERS.

★

Mr. Brian V. Ash has been appointed managing director of RICHARDS AND ROSS, a member of the steel tube division of TUBE INVESTMENTS.

★

Mr. J. G. W. Davies has been appointed a director of PORTALS HOLDINGS in place of Sir George Abell who has resigned from the Board.

★

Mr. R. A. S. Laurence has been appointed a director of THOMPSON GRAHAM AND CO. and Mr. A. D. Morrison-Corley and Mr. M. S. Chesterton have become assistant directors. Mr. R. J. Sharman has been made a director of Thompson Graham (Reinsurance Brokers).

★

FRANCIS INDUSTRIES has appointed three managing directors of subsidiaries to the holding company Board. They are Mr. B. M. Davies, F. Francis and Sons, Mr. D. R. Smith, Sagar-Richards, and Mr. D. I. Speirs, United Lift.

★

Mr. G. E. Richards has retired from the Board of GLYNWED.

★

Mr. I. C. Dickson has joined BARING BROTHERS AND CO. as financial controller and has been appointed a manager.

★

Mr. H. H. M. Harmer has been appointed chairman and Mr. J. Gordon has become managing director of HALLITE HOLDINGS. Mr. J. N. Hall has relinquished those positions but continues as a director. The Board proposes to alter the Articles of Association to create the non-executive position of president and to appoint Mr. Hall to that post.

★

Mr. D. M. Sinclair has resigned as director of ROBERTS ADLARD AND CO., and as a director and secretary of Verity and Gardner, and secretary of Ramsco (Roofing).

★

Mr. A. W. F. Bird has been appointed managing director of APG HEWITT HOSE, a subsidiary of the Allied Polymer Group.

★

Venida Investments has acquired the whole of the share capital of MALAYA GARAGE (BILLINGSHURST). Mr. M. Macphail and Mr. G. McLelland have joined the Board, the former as chairman.

★

Dr. R. S. Inch has been appointed to the Board of STERLING-EUROPA and is taking up residence in France. He has resigned as a director of the Scottish Life Assurance.

★

Mr. A. G. Kanellis has been appointed a director of PATERSON ZOCHONIS AND CO.

★

Mr. J. R. K. Buckley is to join the Board of BRIDON from April 5.

★

Edward Billington and Son has appointed Mr. Michael A. Robertson as a director of GREENWOOD & NICHOLL. He will have responsibility for the animal feed and fertiliser divisions of the group.

★

Mr. Richard G. Capper has been appointed a director and has become head of corporate finance of JAMES FINLAY CORPORATION.

★

Mr. D. A. B. Curling has been appointed a director of WILLIAMS DE BROE, HILL CHAPLIN AND CO., stockbrokers.

★

Mr. R. P. L. McMurtrie has been appointed managing director of Consumer and Video Holdings, the new consumer and video subsidiary group of PLANTATION HOLDINGS, and Mr. D. J. Sewell, financial controller. Mr. I. J. Abrahams will also become a director of the company, remaining as chairman of Television International. He will relinquish his executive duties in both companies. Mr. A. J. M. Park has been appointed managing director of Magnetic Components, in place of Mr. K. F. Bacon, who becomes managing director of Southern Instruments Holdings. Mr. R. L. Kemp-Harper has been appointed financial controller of Southern Instruments Holdings. Mr. I. M. Reed becomes secretary and chief accountant of Television International and Television Applications.

Mr. J. R. Ostler has been appointed secretary of Plantation Holdings in succession to Mr. J. D. T. Smith, who is stepping down due to ill health. Mr. Smith will become group pensions manager.

★

Mr. R. P. Pease has been elected a director of J. H. MINET AND CO., South America area division.

★

Mr. Ron Hudson, previously general sales manager, has been appointed sales director of the grocery division of FOOD BROKERS in succession to Mr. D. Russell Kennedy, who has retired.

★

Mr. B. A. P. Ralph, managing director of Bearing Service, has been appointed a director of the parent company, H. BRAMMER & CO. Mr. H. B. Wienand has resigned from the Board.

★

Mr. T. M. Wheeler has been appointed managing director of ELECTROPOWER GEARS, part of the Normand Electrical Group. He succeeds Mr. Mark Read, who is leaving to become managing director of Rotork Controls. Mr. Wheeler was previously managing director of Rollei (U.K.).

★

Mr. P. D. Flynn has been appointed to the Board of MOVITEX.

★

Mr. James F. Campbell has been appointed director of industrial relations—Europe, of DRESSER EUSOPE S.A. He was previously European industrial relations manager.

★

Mr. David A. Bond has been appointed chief executive of the foundries division of the CRONITE GROUP. Mr. Bond joined Cronite two years ago to set up Cronite Investment Castings, of which he is also a director.

★

Mr. J. I. Gammie and Mr. H. R. Kibblewhite have been appointed directors of the SABAH TIMBER COMPANY. Mr. Gammie is currently vice-president of the Timber Trade Federation.

★

Mr. Peter Tett has been appointed a director of the TCK GROUP. Mr. Tett was previously chairman of Bowater Carpets.

★

Mr. William M. Clarke, the director of the COMMITTEE ON INVISIBLE EXPORTS, has been appointed director-general. Mr. Jeffrey Frost, assistant director, has become executive director.

APPOINTMENTS

Managing Director

Consumer Durables

for a British company which dominates its sector of this market; turnover is in the 8 figure category and is growing rapidly. The MD will be responsible for the further profitable expansion of operations in the UK and abroad, and the development of its plans and personnel for the future.

Candidates, preferably aged between the late 30's and late 40's, must be able to demonstrate a record of success and profitability at the level of General Manager or MD; ideally their experience will have been gained in the consumer durables field.

Salary is negotiable about £20,000 plus bonus, car and usual fringe benefits. Location Midlands.

Please write – in confidence – to J. M. Ward ref. B.41275.

This appointment is open to men and women.

MSL World wide
Management Selection Limited
17 Stratton Street London W1X 6DB

Business Development

Expansion Overseas

A British industrial and trading group with turnover in excess of £200m. is pursuing an aggressive expansion programme abroad and requires a Business Development Manager to seek out new business opportunities in Africa and the Middle East. These could take the form of acquisitions, joint manufacturing and marketing ventures or agency licensing agreements involving contact with Government officials as necessary. The position reports directly to the Chief Executive of the division covering Africa and the Middle East. Success in these duties will lead to appointment as a General Manager of a group company, possibly within the division concerned.

Ideally, candidates will be graduates or professionally qualified and numerate, aged 30 to 35, with relevant business experience including significant achievement in line marketing or production positions. Involvement in acquisition projects would be an advantage and they must be familiar with modern accounting and financial techniques. Based in London, considerable travel will be necessary.

Suitable candidates are likely to be earning £7,500 upwards and acceptable emoluments will be negotiated, plus car and other benefits.

Please write – in confidence – to J. M. Ward ref. B.41276.

This appointment is open to men and women.

MSL World wide
Management Selection Limited
17 Stratton Street London W1X 6DB

Senior Bankers

Corporate Account Management in Canada

This leading Canadian bank is increasing its commercial lending capability by creating corporate account management groups in major cities across Canada.

The next stage in this planned development program is the appointment of a number of Commercial Loan Specialists as Corporate Account Managers.

Based at major branches, each will be responsible for the administration and development of a large portfolio of corporate customers. In addition they will assist branch management in the development of profitable loan, deposit and service business.

Candidates for these senior positions must have substantial commercial loan experience gained from several years in this specialist activity. They must have the capacity to meet the demands of this highly competitive and marketing-oriented environment coupled with the motivation to function effectively with minimum supervision. The interpersonal and communication skills necessary to deal with customers at the highest levels are essential.

In addition to competitive starting salaries, these positions offer excellent career development opportunities and a full range of employee benefits including relocation assistance.

URGENT ACTION—Interviews will be held in London before the end of March. Please send full details of age, experience and current earnings, and a daytime telephone number. These will be forwarded direct to our client. List separately any banks to whom your application should not be sent.

Ref. B.4185.

ASL CONFIDENTIAL RECRUITMENT
17 STRATTON STREET
LONDON
W1X 6DB
A member of MSL Group International

SENIOR EXECUTIVE

INTERNATIONAL ORGANISATION

engaged in supply of ship's equipment in all maritime countries throughout the world wishes to appoint a senior executive to its Paris Office to co-ordinate and expand business and seek out new activities.

The successful candidate will be aged 35/45, probably employed by a ship operating company.

Ability to speak French an advantage.

Replies in confidence to Box A.5454, Financial Times, 10, Cannon Street, EC4P 4BY.

COMMODITY BACK-UP STAFF WTD. Charterhouse Appointments 01-836 2377

UNIVERSITY APPOINTMENTS

THE CITY UNIVERSITY

LECTURER IN BANKING AND/OR FINANCE

Applications are invited for the above post which is one of seven new appointments made possible by the appeal by Lord Mais, when Lord Mayor of London, for the establishment in the University of a unit for studies in international banking and finance. The successful candidate will be expected to collaborate in the organisation and development of specialist courses in banking and/or finance as part of the undergraduate degree course in this area. An interest in applying econometric techniques to research in the areas of money, banking and international finance would be an advantage.

Salary in the scale £3,174-£6,446 p.a. plus £450 London Allowance. Superannuation under FSSU or USS.

For further particulars and application forms please write to: The Deputy-Academic Registrar, The City University, St. John Street, London, EC1V 4PB, quoting B/159/FT. Closing date for applications 26th March, 1976.

CLASSIFIED ADVERTISING RATES

	Per single column centimetre
Appointments	£10.00
Business Opportunities	£12.00
Industrial and Business Property	£10.00

Minimum depth—Three single column centimetres.
Premium positions available—rates on request.

Write to:
Classified Advertisement Manager,
Financial Times, 10, Cannon Street, EC4P 4BY.

PLANT AND MACHINERY

RESALE WEEKLY is Europe's No. 1 journal for used plant and machinery. Ring 01-471 8221-2-3 to-day for your free copy.

WANTED. All forms of used plastic working and processing machinery. Telephone 03942-77474 Mr. Quinn.

PARLIAMENT

Backbench demand for Ryland's resignation

By Philip Rawstorne

TORY, Labour and Liberal backbenchers tabled a joint Commons motion calling for the resignation or dismissal of Sir William Ryland, chairman of the Post Office Corporation.

Labour MPs also put down another motion criticising the appointment of Sir Richard Dobson, chairman of British Leyland, as "anti-democratic and elitist."

Though neither motion is likely to be debated, the moves reflect growing disenchantment among backbenchers with Government appointments to top management in the public sector and with the policies of some industries.

The demand for Sir William Ryland's dismissal—signed by Mr. Geoffrey Finsberg, Mr. Gwilym Roberts and Mr. George Rodgers (Lab.); Mr. Clement Freud (Lib.); and Mr. Robert McCrindle and Mr. Neil Macfarlane (Con.)—attacks the "latest series of panic decisions" by the Post Office in making service cuts.

The decisions, made against the opposition of the Post Office Users' National Council and while the Carter Committee was still sitting, is "yet another example of the contempt" with which the Post Office treats Parliament and public opinion, the motion says.

Following the critical motion on Sir Richard Dobson, signed by 13 Labour backbenchers yesterday, Mr. Harold Wilson defended his appointment in the Commons.

Interview

Mr. Bob Cryer, left-wing Labour MP for Keighley, asked how Sir Richard's appointment would inspire British Leyland workers to believe their industry would be more democratic in the future.

And Mr. John Pardoe, the Liberal spokesman, demanded that younger and more able men rather than "geriatrics" should be put in charge of the nationalised industries.

The Prime Minister said that a "wise, industrial elder statesman" had been required as chairman of British Leyland where the main weight of leadership would fall on the chief executive, Mr. Alex Park.

Referring to an earlier Commons row over the disclosure that Mr. Eric Varley, Industry Secretary, had not met Sir Richard before his appointment, Mr. Wilson said that all relevant Ministers had been involved, including himself.

He had met Sir Richard after he had been appointed following consultations with the National Enterprise Board. "I did not interview him as has been stated," Mr. Wilson added.

The prospects for British Leyland, he said, appeared encouraging. There had been a big improvement in productivity, a move towards profitability and better industrial relations.

But another Labour MP, Mr. Neil Kinnock, in a sardonic motion tabled yesterday, continued the campaign against Sir Richard's appointment.

Mr. Kinnock said the was "fascinated by Sir Richard's perplexity" as revealed in reports that he did not know what to do with his £80,000 cash retirement award from British American Tobacco. "He might consider buying 250,000 shares in British Leyland at 32p each."

Goodman loses Press charter battle

LORD GOODMAN
Opposition support withdrawn.

LORD GOODMAN'S attempt in the Lords yesterday to reject the voluntary Press charter proposals was defeated by 109 to 71, Government majority 38, after the Opposition withdrew official support for the move and Liberals voted with the Government.

Lord Goodman had urged Peers to overthrow the Goverment's clause in the Trade Union and Labour Relations (Amendment) Bill under which all parties would have the chance to work out a charter.

He advised rejection because if the parties concerned failed to reach agreement the Bill allows Employment Secretary (Mr. Michael Foot) to have the final word in formulating the charter.

Lord Goodman warned that when a closed shop was achieved in the newspaper industry, no one would be able to write for the Press if he was not an NUJ member. "No one can be an NUJ member unless the executive of that body desired to have him as a member. If he is thrown out because they dislike his opinions and dislike what he writes, he has no redress of any kind."

On behalf of the management side of the industry, he undertook that they would negotiate forthwith to achieve a charter if the suggestion that a charter could be imposed by the Secretary of State was removed.

Lord Goodman said the Press could be improved but he added: "We shall cerainly not improve it by handing it over to the entire control of a single union. We shall not improve it by bringing in a charter making it impossible to ensure that a man can write what he likes without being exposed to the risk of expulsion."

He regarded the charter set out in the Bill as a menace to a free Press.

Lord Shepherd, Leader of the House, said he felt a deep sense of resentment at Lord Goodman's implication that only he and those who thought like him on the issue were the only guardians of the freedom of the Press and a man's individual rights.

The involvement of the Employment Secretary would only arise if both sides of the industry failed to reach agreement on the charter. There would have to be an Order before both Houses of Parliament setting out the charter. If one House were to disagree with the Order, the Minister would have to go back through all the formal negotiations, and then return to the House.

When the charter had been approved by Parliament, it was open to the two sides of the industry to say they did not like it and to seek agreement to the amendments they wanted.

Lord Bradwell paid tribute to Lord Goodman but added: "I fear he has been keeping what I regard as the wrong company in this context."

He referred to Lord Goodman's position as spokesman for the Newspaper Publishers Association and emphasised that the NUJ was "the only genuine trade union for journalists, the other (the IOJ) being what one might call a company union."

Lord Houghton of Sowerby described Lord Goodman's move as a wrecking amendment. The charter had been born from the feeling that industrial relations on both sides of the newspaper industry were too important to be left to the parties concerned.

Lord Houghton emphasised that Mr. Foot, as Secretary of State, would not have anything to do with the drawing-up of the charter unless the parties could not agree. "It surprises me that Lord Goodman should regard Mr. Foot as some sort of evil man or wicked spirit."

Lord Wigoder, for the Liberals, said his party was determined that any Press charter should protect the rights of journalists, editors, outside contributors and members of the IOJ who wanted to lead their separate existence.

Lord Wigg (Ind.) said he was against the inclusion of the charter in the Bill. "We are engaged in a piece of political jiggery pokery and expediency. We are playing with a stick of dynamite—the liberty of the subject, freedom of the individual."

From the Opposition front bench, Lord Hailsham said: "I do not think any constitutional issue between the two Houses either can or does rise in any way on this particular issue."

Lord Shinwell said: "There is not a single Minister in this Government or any other who I would trust to exercise the power as to what should appear in the newspapers of this country. Why do we assume that a Minister is of such quality as to be able to determine what should appear in a paper?"

Lord Windlesham (C.) said he was not a believer in codes of conduct or charters because once they came into effect, they did nothing to influence behaviour. He supported Lord Goodman.

Replying, Lord Shepherd said great efforts had been made and major concessions granted to Lord Goodman which, on earlier occasions, he had been free to acknowledge.

Lord Shepherd said of the charter: "It is there, so let's try it. No harm will come of it and it may be that it can be the basis on which both sides of the industry can negotiate out of very difficult situations."

The report stage was completed.

LORD BRADWELL, formerly Mr. Tom Driberg the MP and Beaverbrook journalist, clashed in the Lords yesterday with Lord Hartwell, the Daily Telegraph proprietor, during the Press freedom debate.

Lord Bradwell claimed that if Mr. William Deedes, the Telegraph editor, wanted to publish an article objectionable to Lord Hartwell or his wife he would not "get away with it."

Peers murmured disapproval at this comment and Lord Hartwell angrily told Lord Bradwell the remark was "a most offensive innuendo about myself and my wife."

He said that in the 14 months Mr. Deedes had been editing the Daily Telegraph he had never interfered with his policy. The row ended when Lord Bradwell withdrew the remark.

Smith will go his own way—Callaghan

By Justin Long, Parliamentary Correspondent

MPs on both sides of the Commons worried about events in Rhodesia, failed yesterday to get from Mr. James Callaghan the sort of hopeful message they wanted.

The Foreign Secretary, reporting on the "exploratory" mission last week of Lord Greenhill in Salisbury, stressed in the grimmest way that time was running out for Mr. Ian Smith and the white regime.

Mr. Callaghan's only concession to a glimmer of hope was a qualified acknowledgement that "apparently there was some encouragement" on the previous day—this arose out of the fact that the constitutional talks between Mr. Smith and Mr. Nkomo, the African Nationalist leader, had been adjourned while new proposals were being considered.

At the same time, Mr. Callaghan insisted that he did not know what the new proposals were and that there was little evidence that Mr. Smith had undergone a change of heart.

"Mr. Smith is his own man and he will go his own way—but whether to heaven or perdition I am still not quite sure," said the Foreign Secretary.

From the Opposition front bench, Mr. Christopher Tugendhat agreed with Mr. Callaghan that those who played with time in Rhodesia were now running out of that precious commodity. If transition to majority rule were to be achieved peacefully early moves towards it were essential.

In the exchanges that followed, Mr. Callaghan confirmed that Lord Greenhill had met a group of white businessmen while in Rhodesia, and, indeed, some black businessmen.

As to the whites realising the realities of the situation the Foreign Secretary said: "I think they must draw their own conclusions."

If Mr. Smith would accept the principle of majority rule the position of the Europeans in Rhodesia would be much better safeguarded than by anything else that could be done.

Mr. Smith had the capacity to carry the Europeans with him. In Mr. Callaghan's view, "if he will only make this mental leap which is necessary. Then he can salve not only his own reputation, but the future of the Europeans. But so far there is nothing in his record to indicate that he is willing to do this."

On the further question of possible British military involvement in Rhodesia, Mr. Callaghan once again emphasised that: "I cannot imagine any British Government from this side or the other side which would put in an armed force in a cause which is undoubtedly wrong in order to support Mr. Smith—and in a war which he will undoubtedly lose."

And the Foreign Secretary made this point even harder before the questions ended. If the talks in Rhodesia broke down a guerrilla war would ensue. The European forces might contain it for a time. "But in the end they would not prevail," said Mr. Callaghan.

Cabinet thought Crossman's interest was 'academic'—PM

THERE IS no need for a rule to prevent Government Ministers taking notes or writing their recollections of Cabinet meetings, Mr. Harold Wilson, Prime Minister, told the Commons yesterday when questioned about the Crossman diaries.

The suggestion came from Sir John Langford-Holt (C., Shrewsbury), who asked: "As the Government have spent a lot of public money persuading the Attorney-General to try to suppress the Crossman diaries, what are you going to do to try to raise standards from what you and I presumably both agree is a very low level?"

Mr. Wilson: "I do agree very much and, indeed, I have informed the House of the Government's acceptance of the Radcliffe report which considered all these matters." There were many statements in the diaries which were not only untrue but which could not possibly have been true.

A former Parliamentary Private Secretary to Mr. Crossman, Mr. Tam Dalyell (Lab., W. Lothian) asked: "Isn't it a fact that practically everyone round the Cabinet table knew precisely what he was up to?"

Mr. Wilson replied "No. We knew that he was taking a considerable academic interest in constitutional questions. What no one could have forecast was that Dick Crossman died and these notes were put out without his editing them."

Mr. Eric Heffer (Lab., Walton) said: "Many of us believe that the late Richard Crossman did a first-class job in tearing away the veil of so-called secrecy of Government.

"Far from stopping the discussions being publicised, in the interests of open Government, it would be better if all the discussions were publicised, so that all of us would know precisely what was going on, what the real decisions were, and how they were arrived at, rather than the present position of pretence that no disagreement exists."

Mr. Wilson said: "No. It is well recognised that in successive Government there have been, and are, disagreements as there are even in the "shadow" Cabinet at the present time as we have read today."

He said Mr. Heffer could not seriously suggest that the Cabinet should be run on the same basis as the Labour Party national executive committee."

Mr. Jonathan Aitken (C. Thanet E.) asked "Could you explain how you resolve your remarks about Mr. Crossman's diaries with the continual flow of leaks which completely violated Cabinet secrecy at the time of the Chrysler affair?"

Mr. Wilson said that had been "a most unfortunate affair." But he added that the Opposition now had to explain why they had voted to close down Chrysler as well as Leyland.

Tory policies 'a recipe for higher unemployment'

MR. HAROLD WILSON yesterday intervened in the final stages of the Coventry North West by-election with a scathing attack on Conservative policies as "a recipe for deeper depression and higher unemployment."

In a message to Labour candidate, Mr. Geoffrey Robinson, the Prime Minister said that Tory opposition to the Government's aid for British Leyland, Chrysler and Alfred Herbert, would have cost Coventry 56,000 jobs if it had been successful.

The business and commercial life of the city would have been devastated, he declared.

"Again and again, the Conservative leadership have demanded immediate cuts in Government expenditure which could only have the most devastating effects on the jobs of those in work, the hopes of those unemployed, and the prospects of school-leavers about to start their working lives."

Only the Labour Government could offer "a sane, orderly and just route out of the economic winter of the past three years," Mr. Wilson added.

The same message was being delivered in Coventry last night by Mr. Ron Hayward, Labour Party general secretary, as Tories and Liberals became embroiled in a row over Mr. Cyril Smiths allegation that the Tories had "cooked up" arrangements to prevent any Government defeat in the Commons.

Mr. Humphrey Atkins, Conservative Chief Whip, in a statement yesterday, said this "wild accusation . . . is totally untrue."

It was another example of Mr. Smith's "careless regard for truth" which had already been shown in his attempts to "smear the Conservatives about the Jeremy Thorpe affair."

"This latest outburst of huffing and puffing is just the same. . . . By-election voters should recognise this ploy for what it is—a clumsy attempt by a clumsy man to divert attention from the Liberal Party's problems."

Mr. Smith retorted last night that Mr. Atkins had "descended to the level of personal abuse" because of the Tory Party's "gross embarrassment."

And Mr. Thorpe, speaking in Carshalton, described the Conservative Opposition as "wet and useless." There had been occasions when the Tories could have defeated the Government if they had wanted, he said.

Privilege plea rejected

A CLAIM by Scottish Nationalist MP Mrs. Winifred Ewing that an attack on her in a newspaper letter by a fellow MP was a breach of Parliamentary privilege was rejected by the Speaker, Mr. George Thomas, in the Commons yesterday.

Mrs. Ewing (Moray and Nairn) had complained about a letter in the Northern Scot and Moray and Nairn Express on February 28, by Mr. William Hamilton (Lab. Fife Cent.). She said it was defamatory as it accused her of gross dereliction of duty as an MP in the European Parliament.

After the ruling, Mr. Hamilton said he was "very disappointed." To the amusement of other MPs, he declared that he had wanted this issue to go to the Committee of Privileges.

Scottish legal inquiry set up

THE PRIME MINISTER yesterday announced the setting up of a Royal Commission to inquire into the law and practice of legal services in Scotland.

Mr. Wilson, in a Commons written reply to Mr. Peter Doig (Lab. Dundee W), said that the terms of reference would be to consider whether changes were desirable in the public interest in the "structure, organisation, training and regulation of, and entry into the legal profession."

This would include arrangements for determining remuneration, whether from private sources or public funds.

The commission would also inquire into the rules which prevent people who are neither advocates, nor solicitors, from undertaking conveyancing and other legal business.

The commission would be able to examine the close relationship in Scotland between the system of courts of law and the organisation of the profession.

LABOUR NEWS

Workers from British Aircraft Corporation factories throughout Britain marching from Park to Westminster yesterday in protest at the 800 redundancies announced last More are in prospect because of a lack of orders for commercial airliners, incl Concorde. The workers lobbied the Prime Minister and other MPs, as well as demonst outside the U.S. Embassy in support of Concorde's claim for landing rights in the

NUPE seeking jobs conference

BY OUR LABOUR STAFF

EXPRESSING Left-wing resentment at the Government's economic policies, the National Union of Public Employees is urging the TUC to call a special conference on unemployment.

NUPE is coupling the call with renewed condemnation of the Government's planned public expenditure cuts, which it describes as a "serious and long-lasting blow to the living standards of working-class families."

But, having failed to line up the TUC in opposition to the cuts, the union's executive was careful not to base the call for a special conference on the issue of public expenditure alone.

Two other public-sector unions, the Civil and Public Services Association and the National and Local Government Officers' Association, have also called for a special TUC meeting—although not necessarily a full-fledged conference—soon, to discuss unemployment, incomes policy and public expenditure cuts before the next round of talks with the Government on continuing pay restraint.

In its statement yesterday, the NUPE executive expressed the fear that on present trends, unemployment could reach 1.75m. or even 2m. by next winter.

The delicate matter of the second stage of pay policy is not raised in the statement, but privately NUPE is urging the TUC not to enter into any bargain with the Government without having fully consulted its affiliated unions.

● In Glasgow, the district passenger transport committee of the Transport and General Workers Union has called for a one-day nationwide strike in the industry to protest against higher fares and cuts in public services.

ASTM in Dutc union li

By Our Labour Staff

WHITE-COLLAR unions senting Unilever staff in b U.K. and the Netherlan seeking company-wide tions to replace the presen by-plant approach.

The Association of Sc Technical and Manageria which claims to represen of Unilever's 45,000 whit staff in the U.K., said ye that it was linking up w main Dutch union in U Industriebond NVV, to p collective bargaining o power and investment p the whole company.

ASTMS wants to negoti Unilever on a multi- rather than local compan —where it is recognised 23 subsidiaries—because this is the only effective can maintain job security members, following redundancies within the U group.

The two unions want to sulted on group investmen and ASTMS in particular ing greater control of th lever pension fund, wh claims has been involved past in property spe against the interests of st

While the unions conce pay negotiations are sub national restrictions, the is intended to end pay d tials within the co ASTMS claims that diffe have led to transfer of lower-paid employees ei Britain or the Netherlan

If Unilever does not a the two unions' multi- recognition claim AST threatening to invoke sec of the Employment Pr Act under which the A Conciliation and Arbi Service would be asked to an inquiry into the reco demand.

Wharfingers criticise CBI over dock Bill

BY CHRISTIAN TYLER, LABOUR STAFF

THE CBI was criticised by London warehouse owners yesterday for exaggerating the possible harmful consequences of the Government's controversial Bill to extend the dock labour scheme.

Mr. Derek Allison, chairman of the London Wharfingers Association, said some of the implications of the Bill drawn by its strongest critics seemed "rather fanciful."

The association did not oppose the Bill in principle—in this it is virtually alone among employer bodies—although it was seeking much clearer definitions of "dockwork" and "cargo" than have appeared so far.

He added: "We do not agree that the cost of living is going to be increased enormously, or that the British housewife is going to be held hostage to fortune."

There would be some increase in distribution costs as a result of extending dockers' rights and pay rates to more workers and the labour scheme levy to more employers, but nothing like the 3 per cent. increase in the cost of living that had been quoted.

The wharfingers, who employ about 1,500 registered dockers on London's riverside, plus another 1,500 workers, believe the Bill could, if carefully redrafted, settle the bitter rows over dockwork that have raged for 20 years and "must have cost the country tens of millions of pounds."

But one of the association's council members, Mr. Alexander Gourvitch, warned that the Bill as it stood might not satisfy dockers' grievances and there was a danger of more disputes and militancy than before.

The association, like the CBI, individual employer bodies, and several big trade unions, is looking for substantial drafting amendments to the Dockwork Regulation Bill, now in committee stage after being carried by eight votes on Second Reading.

Smelting pla men go back after 17 wee

THE 17-WEEK STRIKE by 600 at the Commonwealth ing Corporation's pla Avonmouth, near Bristol, yesterday. A meeting of w in Bristol decided to ret work to-day after a formula had been outline

They voted to accep findings of a committee National Joint Council f Chemical Industries' Asso which inquired into the d

Negotiations on m levels, which were at the of the dispute, begin

NUJ ban on journalists who joined rival group

THE NATIONAL UNION OF JOURNALISTS is backing a branch which wants to impose sanctions on four people who resigned to join the rival Institute of Journalists.

Last month, the Barnsley NUJ branch asked the local council and local trade unions not to co-operate with the four NUJ "rebels" who are employed by a weekly, the Barnsley Chronicle.

A week-end meeting of the NUJ national executive endorsed the branch's action and congratulated it on its "initiative." It said all branches would be urged to take similar action against IOJ members.

The Barnsley NUJ meeting also considered a call by the Barnsley Chronicle chapel (office branch) to reconsider the non-co-operation requests to other unionists, but the move was heavily defeated.

Teesside jobs

ITCHEN WELDING and Construction is to open a factory at Billingham, Teesside, to work on fabrication and welding for pipework and marine engineering. The expansion will create 50 jobs.

Miners to vo on pit action

BRITAIN's 260,000 miners vote to-day and to-morro whether to support national executive's decis call off industrial action ov proposed closure of Lan colliery in Derbyshire.

Although several mi NUM areas are urging to vote against the exe decision, it is expected tha result announced early week will show a majori miners backing the executi

Sunday papers injunction lifte

FLEET STREET publishers will do all they can to restore supplies of Sunday newspapers disrupted by union action against wholesalers and distributors in outer London, Mr. Justice Templeman was told in the High Court yesterday. He heard of the publishers' offer after he declined to continue an emergency injunction he granted on Saturday to six newspaper wholesalers ordering the publishers to deliver last Sunday's newspapers to the wholesalers by 4.30 a.m. on Sunday.

Yesterday the judge adjourned the wholesalers' application until Friday to give the publishers time to prepare their evidence. The dispute involves the Society of Graphical and Allied Trades (SOGAT), a newspaper workers' union, not so far a party to the action.

Mr. Alan Campbell, QC. for the wholesalers, told the judge that the injunction he granted on Saturday sitting at his Surrey home had not been obeyed, and the plaintiff wholesalers, "who are little men," were "going to be driven out of business.

"The trouble arose because SOGAT members in the employ of the newspapers, in order to enforce the SOGAT closed shop policy and to combat a redundancy situation within the 12½-mile London area, and to punish one of these plaintiffs, Mr. Harry Skinner, for having made a contract with British Airways, have taken industrial action against the six plaintiffs," said counsel.

By depriving the wholesalers of their supplies and trying to drive them out of business, the union was seeking to ease the redundancy situation in the Central London area, and so enhance employment prospects for its members.

Mr. Campbell said SOGAT had not yet been joined as defendants in the action, and he hoped that as a result of what had been said in open court the dispute might be sensibly resolved.

Mr. Nicholas Browne-Wilkinson, Q.C., for Beaverbrook Newspapers, said it was an extre difficult situation and he di think that an undertaking a stage would help. "We ar tremely anxious to perform contractual obligations to parties and to preserve a p and sensible relationship our employees and the emplo of our customers," he said.

"We will do all we reason can to restore supplies," Co for the other newspapers curred.

Mr. Campbell said that had been offered was st needed at this stage.

The six plaintiffs in the are Young Newsagency; Harry Frederick Skinner; Frederick Sidney Harvey; Frederick Archie Dove; William Frederick Copeman; Mr. Edward Brooman.

The newspaper groups Beaverbrook Newspapers; Mi Group Newspapers; News of World; The Observer; the Sun Telegraph; and Thomson N papers.

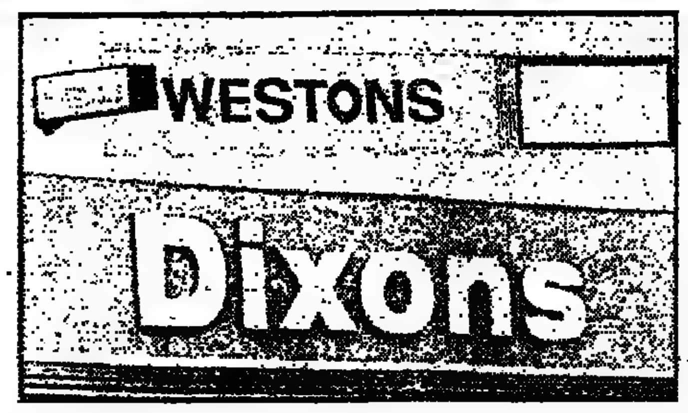
The Executive's World

EDITED BY JOHN ELLIOTT

Women do not go to Dixons shops. But they do go to Westons the chemists. Now the two have merged with a takeover intended to attract both sexes.

Wooing the women

BY KEITH LEWIS



IF Dixons Photographic has failed totally at anything it is in attracting female customers. It is apparently a rare event for a lady to enter a branch of Dixons even to have a film processed, still less actually to buy anything.

The pitch at any of the group's shops is to appeal blatantly to the male appetite for technical gadgets—"toys for men" as chairman Stanley Kalms puts it. First it was cameras, then audio equipment ("mid-fi" is the cute expression used to distinguish Dixons' equipment from the posher hi-fi), then on to transistor radios and portable television sets. And recently it has been pocket calculators and digital watches.

But if the vital female ingredient has been lacking, it is soon to be put right. Last week the group gained control of the second largest chain of chemist shops in the country, Weston Pharmaceuticals, and this is to be the power base of Dixons' drive to appeal to the fairer sex.

It is difficult to fault Dixons' past philosophy, especially since the figures speak for themselves. Since coming to the Stock Market in 1962 on the back of pre-tax profits of £160,000, the group has bounded ahead with few setbacks and is currently forecasting profits of £4¾m. With Dixon's history of conservative forecasting, few doubt that this figure will be comfortably exceeded.

The real take-off in profit terms came in the early 1970s and in 1972 the group made £2.3m. against the previous year's figure of just over £800,000. This roughly coincided with Dixons being labelled a market high-flyer and in two consecutive years the shares moved right up to the leaders' table; they rose 153 per cent. in 1970 and over 400 per cent. in 1971.

Dixons' chairman graciously concedes that his group is strong on marketing, but adds that the real strength is in buying. The whole basis of the company's progress has been stepping between the manufacturer and the traditional retailer and producing "own label" merchandise. Prinz has been the main in-house stamp, covering almost every facet of the group's products from hi-fi and calculators to films and watches. Chinon is the second string name, which covers basically the higher quality end of the various markets but is, in fact, a Japanese manufacturer in its own right on certain lines, mainly lenses.

Digital watches

Perhaps a classic case of the Dixons' concept is in the latest venture in digital watches. Representatives of Dixons met every known manufacturer of digital watches in the world before it was finally decided who would qualify as suppliers. That this research was worthwhile is confirmed by the fact that Dixons went from nil sales to 12,500 in the first week—and business is now said to be booming.

The Weston acquisition will double Dixons' outlets to 400; at present there are 150 U.K. shops and a further 50 in Holland. The idea is to create a "mini-Boots" chain under the Westons name through which it will be possible to sell the now traditional Dixons' lines such as cameras, radios and calculators. None of Westons 200 shops is to be closed, but the emphasis is to swing away from the traditional dispensing business to marketing. Mr. Kalms estimates that roughly 50 per cent. of Weston's business comes from prescriptions. The aim is to get this down to something like 15 per cent.—on the Boots formula. This will be done, however, not by reducing the prescriptions' business, but by adding other lines that will appeal to the female.

Through research, plus trial and error, the Dixons' objective is to find out exactly what attracts the female customer—whether it is a better display, packaging or packages, decor or whatever. And whatever that is, it will be applied to Weston shops.

The analysts should also be given something to chew on by Weston's proposed transformation. While Dixons itself reckons it is just about as slim and as profitable as it is possible to be, the profitability of Westons should readily respond to Dixons' treatment. As in Dixons, strict criteria will be laid down for every single act of the staff. Distribution will be absorbed by the new parent's computer and there should also be economies of scale together with added benefits from the introduction of higher margin goods. All in all, this should bode well for profit margins and, in turn, the earnings of the entire group.

Mr. Kalms is anxious to point out that there is no "rotten wood" to cut out at Weston and that current personnel will be retained. He adds that the acquisition should "respond to gentle massage, rather than the axe and the loud hailer."

Certainly the appeal of Weston is not difficult to appreciate. From Dixons' point of view it will give the management the opportunity to work its magic on the profit margins, which it can no longer apply to itself with any great effect. It can also push other higher margin lines to a market that is effectively part-captive due to the prescription business. Weston itself is profitable and sound, if not dynamic, and it should quickly respond to treatment. Finally the bedrock of the business—the National Health—is not cyclical, merely seasonal.

As far as Dixons' future is concerned there would appear to be no shortage at present of new gadgetry with which to tempt the male — apparently video equipment is going to be the next great boom—and a new product range is about to burst upon the public.

The group itself is financially strong. Through continued good trading and cutbacks in capital expenditure the borrowings have been greatly reduced. There has been a swing, too, towards cash and away from HP which can impose some burdens on the group. This, and the relatively recent advent of the credit card, with its simplicity, has helped the group considerably because of reduced administration and also a reduction in bad debts.

On the acquisition front Mr. Kalms feels, for the present at least, that the purchase of Weston will be sufficient to keep it busy. Any purchase of camera chains is ruled out—first there are only small chains which do not represent real competition and, second, the Board takes the view that there is no point in paying for goodwill when it is built in every time a new branch of Dixons is opened.

Probably the real growth lies overseas, though the intention at the moment is that Westons, will be confined to the U.K. In addition to its 50 shops in Holland, Dixons has opened two more in Belgium, one each in Antwerp and Brussels. France is next on the agenda and the intention is to spread steadily across Europe.

Exactly the same formula appears to work on the Continent as here. No concessions have been made for local conditions or tastes, and, so far, its faith appears to have paid off—with the added bonus that the average Continental lady is apparently willing, even eager, to venture where the U.K. lady does not dare (or care) to tread.

BSR goes up-market for further growth

A NEW TARGET has been set by BSR, the highly successful manufacturer of record-changers which has built up a reputation over the years for manufacturing a low cost, high volume product with great attention to design and other details. Having gained 60 per cent. of the world market in this way, it yesterday launched a new and more sophisticated product aimed at conquering the remaining 40 per cent. of the world's record-changer sales.

Experts believe this to be a potential world-beating model but it raises the question of whether BSR will be able to adapt its success higher up the market. Its traditional formula has been to produce well designed, low and middle price range changers at low cost and high efficiency, turning them out at a rate of more than one a second.

The new product range, the revolutionary Accutrac, has a high electronic content and will require quite different manufacturing techniques. Thus, the company's production engineering expertise, built up by its former chairman, Dr. Daniel McDonald, will face a severe test.

A factory which BSR has built at a cost of £1.4m. at its headquarters at Cradley Heath, in the West Midlands, but has not used due to recent fall in demand, will be used for the new product.

There are two prime factors which will decide the outcome of the venture; the first is American and Japanese public reaction to a product which is expensive at $495 but which technically is a major innovation; the second is BSR's ability to repeat its past production efficiency records.

Total output by September is aimed at around 5,000 units a week, compared to 240,000 a week of the existing models. This indicates the vastly different scale of production. But BSR's chairman, Mr. John Ferguson, believes that by applying the old successful formula he can succeed.

> With the world record changer market now recovering from a recession, BSR is aiming to reap maximum benefit with the introduction of a more sophisticated product to fill a gap in its range

He admits a different production psychology is needed to manufacture higher quality changers, particularly with the new electronic content, but believes his success in the Japanese market has already shown that British productivity is as good as any other. BSR will certainly not have its own way because other high quality manufacturers have enthusiastic users.

The company's rise through the post-recession 1950s, continually developing and refining a good product, was also dependent upon increasing leisure and incomes, particularly in the U.S., which remains its key market.

Costs are to be controlled down to the last penny—as Mr. Ferguson observed: "The trouble these days is that most buying departments have lost the art of buying competitively—they have just become procurement agents."

Despite its concentration on cost cutting, the company apparently feels there are still opportunities for further economies, given that there are over 200 parts in a standard range record changer. A measure of existing efficiency is that all parts are made in-company, because BSR feels no one else can produce them more cheaply.

Marketing of the new changer will be based on the same criteria, price and quality, mainly through the same worldwide network already in use. Research has shown conclusively, Mr. Ferguson believes, that demand in the top end of the market will increase proportionately to the rest.

The company is not saying what volume needs to be reached for break-even on the new changer, but the international launch and overall commitment to new production facilities displays considerable confidence. It clearly believes it has another winner, but with technology improving at an increasingly faster rate, it is also facing a greater risk than it did with its traditional range.

Lorne Barling

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Landlords and tenants

Has a tenant of an old cottage at a very low rent any legal obligations to undertake internal repairs or maintain the cottage in good decorative order? Could I increase the rent, before modernising it? Is the tenant's liability or otherwise governed by the 1956 rateable value?

It is likely that the tenancy is a controlled statutory tenancy. In that case the tenant must not wilfully or negligently cause damage to the demised property, and must take normal care not to accelerate disrepair. Otherwise he has no liability for the disrepair of the demised property. The landlord, however, will have obligations under Section 32 of the Housing Act 1961 to keep the services in repair, and may have other obligations imposed under the Public Health Acts if notices under the Acts are served on him.

The rent would not be susceptible of increases other than in respect of rates if the tenancy is indeed a controlled tenancy.

The original rent limit will have been determined by reference to the 1956 gross rateable value (usually twice that value) but the repairing obligations are not so determined. Rent may be reduced if a certificate of disrepair is issued by your local authority (that is, because the landlord has failed to repair the property after notice from the tenant).

Branch office or not

I am manager of a firm in London and have suggested to the owner that we form a company to open a branch office in the suburbs. Could I be the majority shareholder, or would this mean the branch was not a branch? Could I continue to work at head office but offset branch expenses against earnings in the way the self-employed do? What sort of firms are able to help with a project of this kind?

You will need professional guidance before embarking on financial commitments along the lines you are thinking of. The accountants acting for your employer will doubtless be advising him, and you may be invited to join in the discussions; if these preliminary talks encourage you to pursue the ideas, you would do well to seek independent advice (from your bank, perhaps, who might help you to select an accountant, if appropriate) since there will be an element of conflict of interest.

The tax laws relating to companies owned by only a few people (known as "close companies") are complex and full of pitfalls for the unwary. Briefly, you are right in saying that, if the business in the suburbs was run by a different company from the one which runs the business in London, then the suburban "branch" would not be a branch at all, but a separate entity (regardless of any common shareholder, broadly speaking). Any initial losses incurred by the suburban company could only be set against any profits in later years; there is no possibility of its losses being set against your own earnings (even if you own the whole of the share capital).

In this reply, we can do no more than indicate one or two points which you will undoubtedly want to discuss with your advisers if you decide to go ahead.

Trading in futures

I understand that a private individual buying and selling commodity futures is treated as a trader if he deals regularly and any gains are treated as income. If he makes a loss, can this be deducted from his income from employment? If he makes a loss in a year when he has no other income, can he carry it forward?

Speculation in commodity futures could be regarded as falling within case VI of schedule D, in some circumstances. Case VI losses can only be set against case VI gains, under section 176 of the Income and Corporation Taxes Act 1970

Assuming that the activities are accepted as falling within case I of schedule D, however, losses can be relieved as follows, broadly speaking:

1—Against earned income of the year in which the loss was incurred, then against unearned income of that year (section 168 (1 and 4) of the Taxes Act, as amended).

2—Alternatively or additionally, against earned income of the following year and then against unearned income of that year, provided the trade is still being carried on in that year (section 168 (2)).

3—Alternatively or additionally, against subsequent profits from the same trade (section 171).

The time limit for claiming relief under (1) and (2) is two years from the end of the year for which relief is claimed, that is, three years from the end of the year or loss if relief is claimed under (2).

The rules are a little more complex for married couples, if both spouses have income of their own (section 168 (3 and 4) as amended).

★

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

THE FINANCIAL TIMES

(Established 1888)
Incorporating THE FINANCIAL NEWS
(Established 1884)

Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telephone Day & Night: 01-248 8000. Telegrams: Finantimo, London
Telex: 886341/2, 883897
For Share Index and Business News Summary Ring: 01-246 8026

Birmingham: George House, George Road 021-454 0922
Dublin: 8 Fitzwilliam Sq. 785321
Edinburgh: 18 Hanover St. .. 031-226 4120
Leeds: Permanent House, The Headrow 0532 454969
Manchester: Queens House, Queen St. 061-834 9381
Paris: 36 Rue du Sentier 236.50.59 (editorial) 236.86.01 (business)
Bonn: Pressehaus 11/104 Heussallee 2-10 222596
Frankfurt: Frankfurt am Main, Im Sachsenlager 13 555730 (editorial) 554667 (business)
Brussels: 39 Rue Ducale 129037
Rome: Via della Mercede 55 ... 678 3314
Stockholm: Raalambsvägen 7, 105 17 Stockholm. Tel: 50 60 88
New York: 75 Rockefeller Plaza, NY 10019 Editorial—212 541 4625 Business—212 489 8300
Washington: Second Floor, 1325, E. Street, N.W., Washington D.C. 202 347 8676
Jo'burg: 63" Union Centre East corner: Pritchard and Harrison Streets, P.O. Box 2128
Tokyo: 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Tel: 241 2920

WEDNESDAY, MARCH 3, 1976

A sad day for freedom

BY 109 votes to 71 the House of Lords yesterday rejected Lord Goodman's attempt to delete provisions for a Press charter from the Trade Union and Labour Relations (Amendment) Bill. It is the end of a story which in Parliamentary terms started well over a year ago. It is a sad end for it demonstrates that even on a most basic issue of the freedom of the individual and the freedom of speech, political expediency rather than principle has carried the day.

Single group

The issue arose because when Mr. Michael Foot brought in his Bill there were those (and we were among them) who believed that the closed shop provisions represented a threat to the freedom of the Press, those who write for newspapers, and thus to the public interest. The crucial point was not whether editors might or might not be forced to join a union. It was the danger that control over who might work as a journalist either on newspapers or in broadcasting might pass to a single group, the National Union of Journalists. To say this is in no way to impugn the integrity or motives of those who now run that union. What matters is that the power may be wielded in future in circumstances which we cannot predict.

When the Bill came to the Lords the first time round two amendments on the issue of the Press were proposed. The first, brought in by Lord Goodman, provided safeguards for journalists against arbitrary exclusion from the union and effectively guaranteed free access to the Press. It was carried by a large majority, consisting of some dissident Labour peers, Liberals, cross benchers and Tories, all of whom saw the matter as one of fundamental importance on which they were willing to face the wrath of the Government. But it is the second amendment, the Press charter proposed by Lord Houghton, which will now become law.

Given the Parliament Act there was no way in which the Lords could have insisted on the Goodman proposals. But they could have rejected the Houghton charter. They did not. The Liberals were advised not to back any attempt to do so and the Tories, who only a few months ago had decided that this was an issue on which they were prepared to fight, yesterday left the matter to a free vote.

What happens next is that within 12 months of the passage of the Bill into law, employers, editors and journalists' trade unions are to negotiate a charter which must include "guidance on the avoidance of improper pressure to distort or suppress news, comment or criticism, the application of union membership agreements to journalists (and in particular the right of editors to discharge their duties and to commission and to publish any article) and the question of access for contributors."

The mere idea that the rules which govern the dissemination of news should be regulated for all concerned by those engaged in the industry and only by them must be deeply repugnant to anyone who believes that the Press plays a vital part in a democracy.

Responsibility

But self-regulation of the industry, bad, though it is, is not the worst of it. For if the parties concerned cannot agree on a charter, the Secretary of State for Employment will, after consulting the Press Council and such employers' or workers' organisations as he thinks fit, draft a charter himself. There is no democracy in the Western world where a Minister has the power to prescribe rules of conduct for the Press. Yet this power will shortly be enshrined as the law of the land in this country. The Labour Party purports not to see the threat, the Tories said they saw it but then failed to do what was in their power to arrest it. The last word may be left to Lord George-Brown, who resigned last night from the Labour Party after a lifetime in it: "The Labour Party is nothing if it ceases to be the defender of individual freedom," he stated. But it is not only the Labour Party which stands thus accused. Parliament as a whole has failed in its responsibility.

Uncertain outlook for trade talks

AT A time when the Governments of Britain, the U.S., and indeed of many industrialised countries are being lobbied strongly to provide protection for those industries particularly affected by the world recession, active preparations continue for the multilateral trade negotiation in Geneva—the effort at liberalisation that was once to be known as the Nixon Round. It is to be a long process; the commitment taken last December to aim at completion during 1977, an echo of the undertaking by the heads of state at Rambouillet, is phrased loosely enough to allow for some slippage, and this may prove just as well. Conditions at the moment are hardly propitious for liberalising trade.

Anti-dumping

The danger clearly is that they may get visibly worse before the negotiations are joined in good earnest. Recent U.S. actions to limit imports of cheap steel and footwear, the anti-dumping investigation in the car market, and the threat of countervailing duties to offset official support by other countries for their exports have created a growing suspicion that the U.S. is turning protectionist. The danger of further such actions in an election year is clear.

Defending U.S. policies in Paris this week, Mr. William Walker, the chief U.S. trade negotiator, praised the "transparency" of U.S. procedures, with lengthy public hearings of every complaint of unfair trading practices. While supporters of open government may applaud, the result is unfortunate, for transparency affords visibility: and the greater the publicity for every questionable practice, and for every retaliatory action, the greater the likely demand in other countries for similar measures.

The case made by the TUC in this country is all too characteristic. It was summed up by Mr. Len Murray in a recent speech: "Britain cannot afford to be the only country which plays to the Queensberry rules." The detailed demands made by the TUC are quite modest when measured against the sentiments of the Left wing of the Labour Party. The temptation for some Ministers must be to give way to some of the unions' demands in order to preserve what they regard as more important objectives—TUC support for restraint in wages and public expenditure, above all. The Prime Minister and the Chancellor, who have so far taken a pretty firm line against import restrictions, should stick to it. The danger of direct retaliation, though the most commonly used, is perhaps the weakest. The stronger ones are Britain's interest in the negotiation itself, and the early signs of success of export-led growth.

The negotiation is not, of course, just about cutting tariffs—if it were it would be of limited interest. It is about the treatment of developing countries' exports, about non-tariff barriers, and about various covert measures of export support.

Export trends

The strongest argument, however, is to be seen in the export trends which Mr. Peter Shore was rightly celebrating yesterday. Department of Trade inquiries suggest that the recent strong performance of British exports was no statistical aberration: volume in the first half of this year is now expected to be 6 per cent. up on last year, with larger increases later. After a long agony of adjustment, British industry seems in a position to seize its opportunities abroad. It needs open markets. Calls for protection, whether based on the memory of old problems or on new provocations, put that recovery at risk.

The Government's dilemma over the structure of the sugar refining industry in the U.K. was highlighted yesterday by the British Sugar Corporation. **John Edwards** explains the issues

An end to sweet dreams in the sugar refineries

Trevor Hum[...]

Mr. John Beckett, chief executive of the British Sugar Corporation: U.K. sugar produc[...] could become a "lame duck."

THE DEMOLITION of the case for propping up Britain's sugar cane refining industry made yesterday by Mr. John Beckett, chief executive of the British Sugar Corporation, highlights the acute dilemma facing Mr. Fred Peart, Minister of Agriculture, when he returns from the current negotiations in Brussels on the farm price package for 1976-77. It is a familiar dilemma for the Government.

On the one hand is the loss of at least 1,500 jobs out of a total workforce of around 7,000 in the cane refining industry, and a threat to the many ancillary jobs indirectly dependent on cane sugar production.

On the other, there is the "sheer economic sense," to quote Mr. Beckett, of changing the structure of Britain's sugar producing industry in line with the changed situation since U.K. entry to the Common Market. After the sugar "shortage" in 1974, the Government declared its intention of increasing domestic sugar beet production as part of the general expansion of U.K. agriculture outlined in the White Paper, Food from ou own resources. A plan by the BSC to increase home sugar beet capacity to 1.25m. tons a year compared with the previous 950,000 tons was approved as a result. The increase, when achieved, would mean an estimated saving of £60m. a year on imports and with domestically grown sugar would then account for over half of Britain's annual sugar consumption of 2.5m. tons in normal circumstances.

Important difference

The remainder of U.K. supplies would come from the 1.3m. tons of cane sugar imported annually from African, Caribbean, and Pacific developing countries under the Lomé Convention with the EEC negotiated, at Britain's insistence, to replace the previous Commonwealth Sugar Agreement. There is an important difference, however, in the import commitment, agreed basically as an aid to developing countries dependent on sugar for their export earnings.

Under the Commonwealth Agreement, Britain imported 1.8m. tons of cane sugar, including 400,000 tons from Australia — acknowledged to be the most efficient and reliable supplier. But since Australia is not a poor country dependent on sugar exports, the other EEC countries were not prepared to allow continued imports from that source in competition with the surplus supplies available within the Community.

Precipitated the crisis

The loss of this Australian cane sugar for refining in Britain precipitated the crisis in the U.K. cane refining industry, which already had been suffering from over-capacity problems. Even before Britain's entry into the EEC, it had been acknowledged that our cane refining capacity of over 2m. tons was too large to operate on a profitable basis. But it was the loss of Australia's 400,000 tons of raw cane that was crucial in prompting the decision that a radical change in the whole structure was needed.

The obvious answer, outlined in Food from our own resources, was expansion of U.K. beet output to stop other EEC producers picking up the Australian shortfall and increasing Britain's food import bill.

Added impetus to this policy was given by the failure of some cane sugar supplying countries, notably in the West Indies, to meet their contracted commitments during the last year of the Commonwealth Sugar Agreement by diverting supplies to more profitable outlets elsewhere and thus triggering off the 1974 shortage in Britain. The fact that the shortage was made much worse by the failure of the domestic beet crop because of bad weather conditions, was largely ignored in the general condemnation of Commonwealth sugar producers as "unreliable" suppliers.

Once the go-ahead for the expansion of British sugar beet production was approved, it was inevitable that the basic problem of surplus cane refining capacity in Britain had to be tackled especially in view of the sharp decline in U.K. sugar consumption last year as a result of the rise in prices.

The two cane refining companies, Tate and Lyle and Manbre and Garton, who have been busy diversifying out of sugar refining, finally grasped the nettle last month with a joint report sent to both the Ministry of Agriculture and their employees, outlining plans for a reduction in the industry's production capacity. They put forward various suggestions about which of Britain's six cane refineries should be closed, or cut down, each of which involved the loss of at least 1,500 jobs.

Not surprisingly, the General and Municipal Workers Union, representing workers at the cane sugar refineries, has strongly opposed this cutback in areas where unemployment tends to be particularly high and there is limited scope for alternative jobs.

Line of attack

Recognising that imports of raw cane sugar have gone down, the union action committee has concentrated on attacking the huge investment involved in expanding British sugar beet production, without the creation of any extra jobs, at a time when the other sector of the industry is being dismantled. The union is arguing that it makes no sense to invest £100m. in expanding the British Sugar Corporation's processing and refining capacity while at the same time putting 1,500 workers or more out of work by a reduction in cane refining capacity. The obvious answer, says the union, is to divert more beet sugar raws to the cane refineries, as has been done in the past when British Sugar's refining capacity has not been sufficient to handle its full output of beet raws.

It is this argument, and the threat to British Sugar's expansion programme that is already well under way, that lies behind the Corporation's decision to come out yesterday with its counter arguments.

British Sugar has no quarrel with the Tate and Lyle Manbre and Garton reports. Mr. Beckett makes it very plain that the company considers the GMWU's alternative proposals to be "economic nonsense." The nub of the Corporation's case is that it is simply not economic to process beet turnips into raw sugar and cool them down for transport to the cane refineries, where they would have to be remelted again before refining. It is pointed out that the Public Accounts Committee concluded in 1972 that this was a wholly uneconomic process.

Continuous process

The Corporation claims that if it is to remain competitive with Continental refiners, and also to keep sugar prices down to a reasonable level, it must be allowed to continue with the planned programme to expand direct white sugar production by turning the beet into raw sugar and refining it in one continuous process, instead of the company's factories simply turning out raw sugar. Otherwise Mr. Beckett said, British sugar production would become a "lame duck" industry, bolstered by Government grants and subsidies in order to keep its supplies competitive with those from the rest of the EEC. Answering the point that British beet production was an unreliable source of supply, in view of the very poor crops in the past two years, Mr. Beckett said that, over the longer term, production had been very consistent. The kind of setbacks suffered in 1974 and 1975 were, he maintained, unlikely to recur for some time.

He was able to point out that farmers had shown a vote of confidence in agreeing to plant a record acreage this year despite the difficulties of the past two seasons. One reason for this, according to Mr. Beckett, is that sugar beet is "a cornerstone in the arable cycle" as a break crop that "cleans" the land and results in higher yields of grain. One acre of sugar beet, it is calculated, produces not only two tons of sugar, but also the equivalent of one and-a-half tons of barley in the form of animal feeding stuffs from the tops of the plant and the residue left after processing.

Not surprisingly, the Corporation's expansion programme has the support of the farm lobby, although Mr. Beckett pointed out that of the £100m. being funded from its own resources, only £35m. was going in actual expansion, while £65m. was being used to maintain and modernise existing plant, including the changing of raw sugar only factories into the more economical white sugar plants.

In this way it is hoped that given reasonable weather this year—and so far conditions are almost ideal—to produce even an average crop, it was more likely that British Sugar would be able to make a healthy profit and still reduce the price of sugar in the shops despite the expected 7.5 per cent. rise in the EEC "floor" price level being debated in Brussels this week.

The prospect of lower retail prices, substantial import savings, and a fillip for the agriculture industry are powerful incentives for Mr. Peart to continue backing the plan to expand domestic beet production. Nevertheless, the prospect of 1,500 lost jobs is difficult for the Government to stomach in these times of high unemployment, especially as a powerful trade union is involved. Mr. Beckett yesterday suggested that this was a social problem, created by Britain's entry into the EEC, which should be treated humanely, possibly with the help of Government and EEC funds, to re-train affected workers or to provide generous redundancy payments.

But if the problem is to be tackled realistically, it seems more sensible in terms of the longer-term outlook for the whole industry to be considered.

Refinery capacity

Some years ago, in an attempt to solve the problems of surplus cane refinery capacity, the Government, recognising that the situation would worsen with EEC membership, promoted an investigation into the prospects for amalgamating the beet and cane industries into one unit. But this became tied up with various difficulties, including the emotional issue of nationalisation and potential loss of jobs. However, there appears to be a good ca[...] reconsidering the position instead of allowing the sit[...] to deteriorate into a [...] between the cane and bee[...] especially as the interes[...] the developing countrie[...] very much tied up with refining.

The cane refineries [...] ports are ideally situate[...] handling imported raw supplies and distributing to the main industrial [...] bations. At present the [...] has a commitment to [...] 1.3m. tons of cane su[...] year, and Britain still re[...] these supplies to suppl[...] its domestic crop.

In the longer term, how[...] there are some doubts [...] whether cane sugar su[...] will be maintained, w[...] world sugar shortage [...] dicted for 1980, and de[...] ing countries seeking to [...] more sugar in their own [...] tries.

Potential fo[...] expansion

At the same time the potential for some expa[...] in the beet refineries in production could be exte[...] beyond the usual "campa[...] period that lasts for only months of the year. This [...] time could be used prof[...] to refine cane sugar.

This would do little to [...] the present problem of threatened loss of jobs. [...] short-term compromise to guard employment [...] weakened the competitiv[...] of the industry within the [...] munity would not help the structural, perma[...] changes required to ensu[...] future. A joint approach, [...] bining the interests of beet and cane might be best eventual solution. Job[...] certain to be lost wha[...] happens. Since the Govern[...] is already involved throug[...] 37 per cent. stake in Br[...] Sugar, it should, perhaps, [...] funds available, however cushion the blow.

As for consumer fear[...] being dependent on one so[...] of supply, cane and beet w[...] still be used. And, as the experience showed, there [...] more than adequate ri[...] from other countries within EEC to keep British prices [...] petitive in the future.

MEN AND MATTERS

The Vatican's liquidity . . .

The wealth of the Vatican as an independent state, as well as the central administrative and spiritual body of the Roman Catholic Church, has long been a subject of conjecture. A year ago the Vatican hit the headlines as a backer of Michele Sindona—at one time Italy's most successful property man when head of Societa Generale Immobiliere, but now living in America and fighting extradition attempts by the Italian judicial authorities. When Sindona's empire crashed it was estimated that the Vatican might have lost up to £23m. Guesses were made that this sum might represent about 10 per cent. of the Vatican's total assets, but still the hundreds-of-years-old veil of secrecy over actual figures remained.

To-day it still does, but some light is shed as far as liquidity is concerned by a new set of statistics published yesterday by the Bank for International Settlements. These show that Vatican deposits with banks in six major countries have been as high as £63m. during the past year and since December, 1974, they have not dropped below £45m. At no time during the period between December, 1974, and last September does the Vatican appear to have borrowed from any of the banks in the countries concerned, and during the same period its own level of deposits has fluctuated by as much as £18m.

The countries covered include Italy—where presumably the bulk of the deposits are lodged—and Belgium, Luxembourg, France, Germany, the U.K. and Sweden. Total bank deposits are likely to be higher still, therefore, since the U.S., Switzerland and Japan are excluded from the calculation.

. . . but poverty nearer home?

More religious connotations. The FT's mining editor did not feel able to comply with the request expressed below, but I am sure the letter is worth recording for posterity. It runs:

"Dear Sir, Not many years ago a friend whispered to me that a much travelled friend of his had just returned from a visit to Australia, and that Bridge Oil was to be God's gift to all sufferers. We each invested a few hundred pounds and I took a 50 per cent. profit within a couple of months; but my friend held on and still holds.

"The great tragedy behind this episode is that my friend, who is Church of Ireland, also whispered something to his vicar one bright Sunday morning and it is feared that the Parish funds had a portion allocated to the exploration of Down-under. While several Sundays after investment saw a warm church-door welcome greeting, the gradual down slide saw a change of tone. It is now two years, I believe, since my friend attended service, and I fear for his spiritual wellbeing.

"He is not so concerned for his own shares as he is for God's. So for God's sake perhaps you might mention Bridge Oil (now quoted at 3p) in your mining column.

"Yours most faithfully . . . ."

Culture news

Brighton in May sounds fun. The 10th Brighton festival will be held from the 4th to the 16th, and the town is talking proudly of the events. The German Festival Opera from Ludwigsburg will make their first appearance in this country with a performance of The Magic Flute. Also, there will be at least five leading orchestras on hand—including the London Symphony, the BBC Symphony and the New Philharmonic—and there are to be two firework displays and a torchlight procession.

However, be sure and put me down (excuse the expression) for a 30p tour of Brighton's drains, perhaps one of the lesser attractions, but artistic still: the organisers describe the drains as "a fantastic sight, Victorian and beautifully built."

Nightmares

A couple of doomsday-type stories, one from Western Europe, the other from the U.S. First, are the French nervous that the peaceable Swiss have ambitions to join the nuclear arms "club"?

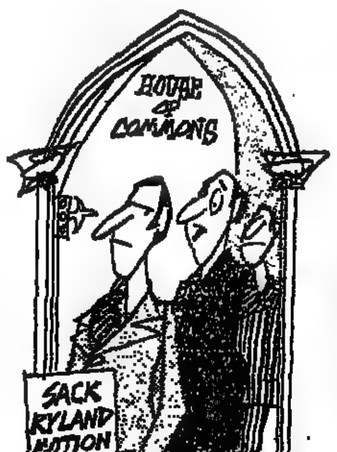
Admittedly, that might be a slightly exaggerated inference to draw from an episode involving a consignment of uranium, worth the equivalent of £5½m., destined for the new nuclear power station of Goesgen-Daeniken in north-west Switzerland.

The 340 tons of uranium in question have yet to reach their destination. The French are holding the stuff in a store, because the Swiss have neither signed the nuclear non-proliferation pact nor given what are termed the "usual assurances" that the material will be put to peaceful uses only and subject to control by the International Atomic Energy Commission in Vienna.

Surely one can trust the Swiss. The French, of course, have long memories: Switzerland did consider fighting France for the return of the Savoy territories a mere century or so ago.

Meanwhile, in America, the redoubtable Senator William Proxmire continues his pursuit of absurd government with the revelation that some $4bn. in new currency has been hidden in a mountainside bomb shelter for use if a nuclear attack came and wiped out the country's money.

Proxmire claims the Federal Reserve Board is spending some $1.8m. a year to maintain and guard the cash inside Pony mountain, 30 miles south-west of Washington. He calculates the stock at less than 5 per cent. of the U.S. money supply, hardly adequate to get normal trade going again "even if the distribution problem could be solved."



"If it's passed, make sure his letter of dismissal goes by hand!"

Don't ring us

The Spanish telephone service announces new off-peak rates to the Canaries, doubtless to encourage cheap cheap calls.

Observer

David Palmer looks at the people and politics of a city, voting tomorrow, which has not elected a Conservative MP since the war

High stakes in Coventry's election race

BY THE conventional rules of *politics, the Conservatives* should be driving towards a thrilling victory in to-morrow's by-election at Coventry North-West. Here we are, two years into the life of a Labour Government which has had to preside over the worst recession since the war, while prices have risen *at record rates. And here* is Coventry, where nearly 9,000 people have registered for unemployment benefit in the past 12 months, wilting under a continuing series of body-blows to its local industry.

THE CANDIDATES
W. Dunmore (Logic)
A. Fountaine (Nat. Front)
J. Guinness (Con.)
T. Keen (More Prosperous Britain)
J. Kingsley Read (Nat. Party)
A. Leighton (Lib.)
G. Robinson (Lab.)

OCT., 1974, RESULT
Edelman (Lab.) 19,205 (51.8 per cent.). Guinness (Con.) 11,717 (31.6 per cent.). Mrs. Newman (Lib.) 5,798 (15.6 per cent.). Mrs. Whittaker (People) 313 (0.8 per cent.). Labour majority 7,488.

The most recent, and by far the most serious, was the decision to move the Chrysler Avenger assembly line from Ryton in South-West Coventry to Scotland—a blatantly political act by the Government designed to buy votes in Scotland. Just three days after that decision was announced, Maurice Edelman, a Coventry MP for 30 years with a large *personal vote behind him, died.* His death left the Government to explain its action to the voters of Coventry.

The swing required for the Conservative candidate, Mr. Jonathan Guinness, to win is 10.1 per cent., large for a relatively small constituency but quite manageable for a mid-term by-election. The Conservatives were heartened in the local elections last May by making a clean sweep of all four wards in Coventry North-West on a 37 per cent. poll.

The stakes, too, could hardly be higher. The Government majority of one is going begging. *The Tories badly need to prove* themselves capable of a good showing in an industrial seat; *there has not been a Conservative* MP for Coventry since the war. Mrs. Margaret Thatcher *has been the Tory leader for a* year and needs a demonstration of electoral enthusiasm.

And yet the conventional wisdom is that Mr. Geoffrey Robinson, the Labour candidate, will win with some room to spare. Why? The short answer is that in Mr. Robinson the Labour Party has found a unique candidate, tailor-made for this particular constituency *at this particular time. By contrast,* the Conservatives are fielding Mr. Guinness, chosen to fight the seat at the last General Election, at a time when no one could possibly have thought it was winnable.

Mr. Guinness has many positive qualities, the most notable of which is a considerable personal charm. But the essential quality that he lacks for this campaign is an ability to put himself across to industrial workers.

The success of the Liberal campaign *is extremely hard to* gauge. It has all the usual ingredients of the Party's *activity at by-elections*—tremendous enthusiasm from a band of young supporters, a candidate, Mr. Alan Leighton, who is well known locally (in this case as the writer of an *advice column and as a regular* performer on television and local radio), much sound, and *occasional bouts of fury.*

Mr. Robinson, Labour's candidate, is 36. He campaigns in a *mustard-coloured XJ-6 which* belongs to his brother, who runs the family furniture business. He went to a direct grant school, Cambridge and Yale.

At the age of 30, having spent some time at the now-defunct Industrial Reorganisation Corporation, he was financial controller of British Leyland. In this capacity, he had a considerable hand in the *takeover of Innocenti in Milan* and after the purchase was sent out to run the Italian *company for a while. From* Milan, he was recalled by Lord Stokes to manage Jaguar in the Coventry North-West constituency. In May last year, he resigned from Jaguar, and from British Leyland, after sharply disagreeing with Lord Ryder's plans for the company.

So far this is a fairly conventional picture of a young man of ability and drive in a hell of a hurry. Two things *make Geoffrey Robinson different,* however. The first is that, while running Jaguar, he quite openly lent *his time,* his influence and his managerial expertise to the motor-cycle co-operative at Meriden, just off the edge of the Coventry North-West constituency. It is doubtful if Meriden would have got off the ground without him.

The second is the extraordinary impact he made on the workforce at Coventry *in the 21* months he spent at his Jaguar job. The day he resigned the *shop stewards called an impromptu* meeting and asked him to come down and see them. He was greeted by a standing ovation in the works canteen. What had he done to deserve it?

"My husband and my son work at the Jag. When there was a problem, he'd come down and talk about it. *And then he'd* go away and do something about it," says a woman work*ing in a garage.* "It makes a difference when you've got a bloke who can at least be trusted to come and meet you," says a middle-aged factory worker with friends at Jaguar. And "he used to be my gaffer. I think he's lovely," says a middle-aged woman.

Terry Kirk

Left: Labour's Mr. Geoffrey Robinson with his campaign Jaguar. Right: Guinness may be good for you but the voters of Coventry North West could well decide that the Conservatives' Mr. Jonathan Guinness does not hold the recipe for industrial health.

I report this reaction to Mr. Robinson as a political rather than a managerial phenomenon. Since his departure, Jaguar has become a problem area and Innocenti a major disaster, *which may or may not have anything* to do with him (he argues that it has not). For the purpose of this by-election, the impact on the Coventry workforce and the image that he carries around of a humane and understanding manager who made the Jaguar workforce believe in him and itself is crucial.

Mr. Guinness, by contrast, has made very *little impact. One* lifelong Tory voter said rather sadly: "I know more about Robinson from the Jaguar than I ever do about Guinness." Where Mr. Robinson is up at six every morning, busily shaking hands at factory gates, and spends the day darting around the constituency, arguing issues on street-corners, Mr. Guinness's approach is strictly low-key. He is 45, tall, good-looking and aristocratic—a throwback to a romantic Toryism which looks *and sounds* dated. In a big South Coast constituency with a large Tory majority, the local gentry would lap him up. He is a bit shaky on facts and figures (he gave me a figure for unemployment in Coventry that was two months out of date), somewhat languid in his *approach to campaigning* (early morning factory gate meetings are out, partly, he says, because so many workers come into work from outside the constituency and he would therefore be wasting time, but partly because "I don't think it's worth one and a half hours of sleep and I'm short of sleep at the moment"), but long on well-turned rhetoric, calling for "a return to reality from ideology, to facts from wind, a return to politics that will satisfy millions of people who only want to carry on their *own profession in their own* way."

He is also one of those unfortunate men who—*like* Lord Thomson with his "licence to print money"—once made an *off-the-cuff aside which he will* never be allowed to *forget.* At the Lincoln by-election in 1973 he suggested that razor blades and shoe laces should be left in convicted murderer's cells.

More than 60 *per cent.* of the city's workforce is in manufacturing industry—nearly double the national average. A large proportion is highly paid and skilled, working in cars, telecommunications (GEC), engineering (Alfred Herbert, Rolls-Royce, Associated Engineering, Dunlop) and textiles (Courtaulds). Well over 60 per cent. own their own home, and the average monthly repayment on mortgages *is* in the region of £80.

If the Liberals do well on to-morrow, it will be because they have capitalised better than the Tories on the feeling of helplessness and depression that hangs over Coventry to-day, as its unemployment rate climbs steadily, from just over 2 per cent. two years ago to nearly 10 per cent. projected for this spring. Mr. Leighton is a slightly eccentric 44-year-old, something of a performer in the Cyril Smith-Clement Freud mould.

He is *projecting* himself as the man who really cares about people, a populist *who intersperses his attacks on* the two-party system and his formal restatement of Liberal policies with a series of news letters to the voters which at times border on the banal. There is an air of carnival about part of the campaign—the double decker bus blaring music; Alan (as he likes to be called) at the head of a "horsecade" beaming at the television cameras; Mr. Cyril Smith arriving on Monday from *London* and after one hour, surrounded by Liberal supporters in a pub, announcing in *the most sonorous tones* that he had detected a major swing to the Liberals.

It looks like a Labour victory on a reduced majority, with a reasonable but unspectacular *Liberal showing.* But being a cautious man, I will enter the caveat that it just might go the other way. This, after all, is a by-election, where funny things happen. Lord George-Brown's resignation from the Party last night can do Labour no good. There *are* people changing horses out of disillusion with the Government; there *are* voters, usually Labour, too fed up to vote at all. It just could happen that, on the day, there are enough of them for the Tories to win by default.

Letters to the Editor

Masterpieces of 'mountains'

From the Managing Director, David T. Boyd and Company.

Sir,—I am writing to express astonishment at the muted response to the proposed legislation emanating from Brussels, which is aimed at eliminating the infamous skimmed milk powder *"mountain" of about* 600,000 tons being held in intervention stores throughout the Nine (of which less than 10 per cent. is in the U.K.).

The latest scheme has been devised by those geniuses in Brussels who were *responsible* for creating such previous masterpieces as the beef and butter "mountains" and the wine "lake"! The scheme is of such bewildering complexity that not only is it going to require an army of civil servants of Machiavellian mentality to administer but will inevitably create its own "mountain" of paperwork!

We in the U.K. drink far more liquid milk per head of population than any of the other EEC countries—indeed in some cases 6/7 times the quantity. Where *therefore is the logic in the U.K.* animal feed compound trade (which ultimately affects food prices for all of us) being forced to pay a punitive levy/deposit on all their imported and domestic proteins which they *incorporate in their rations?*

While this deposit, or caution as it is appropriately termed, is eventually recoverable when the compounder supplies evidence that he has used the skimmed milk powder in his ration, the *time lag and the increase in* administrative costs are going to be so substantial that inevitably the compounder will be forced to raise the price of the product to the farmer.

The very concept of forcing a *manufacturer* to use a particular raw material in his product, primarily due to political expediency, is unique in the annals of *British* commerce. *If* this is what it means to be a member of the EEC then I am certain that many who voted "Yes" at the referendum will now be heartily wishing that they had voted "No"; let Mr. *Peart be under no misapprehen*sion whatever how strongly people feel on this subject.

It should be stated in all fairness that this monstrous plan which is thoroughly disrupting the trade here in the U.K. is also bitterly opposed by other member States, particularly Germany, Holland and Italy. As far as we are able to ascertain, *the plan has met with universal* disapproval from trade and farmers' associations throughout the Nine. The question is to be asked therefore is there no country that has the guts or gumption to stand up to the *Brussels "Bureaucratic Steam-roller,"* and tell them in no uncertain manner that the legislation is probably illegal; being contrary to the spirit of the Treaty of Rome; it is unworkable; and that we in the U.K. do not propose being used as a dumping ground for EEC surpluses, be they of milk powder, butter or beef? Finally, and perhaps *most important,* the proposed legislation does not strike at the root cause of the problem, and although we are assured it is of a temporary measure, so, your readers will recall, was income tax!

D. E. Goldwater.
24, Eastcheap, E.C.3.

Wages and nous

From Mr. R. Mitchell.

Sir, — Although it seems *utterly irrelevant to our present* problems, the one-sided debate is again emerging on pegging top salaries to £20,000 p.a. and relating them to some gross median earnings.

Like the current restriction on salaries of £8,500 p.a. or more, *measures are likely to be introduced* because of the silence of people holding senior positions; this silence being interpreted as an absence of a case against such proposals.

The present iniquitous position can be seen *in the March 1* issue of the Financial Times where it is reported that remuneration of senior U.K. executives is almost half of their European counterparts whose personal taxation rates are substantially lower.

It is questionable whether there is any relevance in dis*cussing differentials in gross* earnings under the existing personal taxation system. The standard family man receiving a 33⅓ per cent. increase on £3,000 p.a. receives an after tax income increase of 24 per cent., but on *£15,000 p.a. he receives only* an increase of 16 per cent.

The recent Royal Commission on the Distribution of Income and Wealth pointed to the degree to which the real spending power of higher paid people has fallen and indicated the very tiny minority of the working population affected by these proposals. When such an amount of time is occupied for such little gain, the degree of envy must be considerable.

It is disturbing to find that the views of the TUC on such topics are always allowed to go *uncontested. Presumably,* the professional bodies, the CBI, the Institute of Directors, etc. are shy to express a view for fear of appearing to be entering the political arena. Yet these people should be prepared to see their *authority diminished if a body* capable of representing better paid executives should emerge: the time for such a formation may not be far away.

R. Mitchell.
2, Whitechapel Close, Leeds.

Travel costs guide

From Mr. V. Cahir Boyle

Sir,—As a Dublin resident presently living in London and having spent time in New York, Chicago, Tokyo, Colombo, Nairobi, Port of Spain, Bankok New Delhi and Dar-es-Salaam I *was fascinated by your article on* travel costs (February 28). The difficulty of comparing living costs in different countries is considerable as you rightly point out. Your list, however, is misleading in many ways if an uninformed reader attempts to use it as a guide to overall costs.

To take Colombo as an example (I was last there in January for three weeks), a businessman landing at Banderanaike Airport is automatically given a 65 per cent. bonus on the official exchange rate of R15.57 to the £, that is the effective exchange rate for the visitor is R25 to the £. *A taxi to the Hilton 18 miles* away should cost him £1.50-£2.00 although as in most countries outside Europe and the U.S. a little bargaining is essential and expected. To suggest that taxi fares in Sri Lanka are nearly six times as expensive as *in neighbouring* India is an indication to me that your source in India would get a *similar* rate in Colombo had he been reporting from there. Although the hotel price would appear correct (assuming the 65 per cent. bonus) one should compare it with the overall cost of living. A *very pertinent comment I would* make about that is that the daily cost of the best hotels is also approximately a week's gross salary as paid to the deputy director general of the Sri Lanka tea board (as advertised in the Ceylon Daily News January 8, 1976) *who has a comparatively* high standard of living.

Your book I hope will indicate that details as quoted will prevail only if a traveller attempts to transfer London standards to his port of call. Much wiser would be an attempt to adjust and accept local standards and be it in Tokyo or Dar-es-Salaam he is much more likely to have a cheaper, better and more enjoyable visit.

V. Cahir Boyle.
167, Colindale Avenue, Colindale, N.W.9

Beautiful terminal

From Mr. A. Grima.

Sir,—As a passenger using London Airport on average of once a fortnight I would like to endorse the complaints made by *your readers recently.*

I have travelled extensively all over the world and I find that Heathrow is at least ten years behind the airports of other Western countries. It has the most untidy car parking facili*ties with the filthiest passenger* lifts that are invariably unlit or not operating. There are insufficient telephone boxes, poor Customs and Excise service for personal exporters, pathetically outmoded security checks, *deplorable catering facilities* and badly designed waiting lounges. Frankfurt, De Gaulle, Munich, Zurich and Amsterdam are all light years in advance of Heathrow.

At Zurich and Geneva airports *one can do export formalities* without even seeing a Customs officer except on a television screen and the formalities as in most other countries take two or three minutes compared with 20 to 30 minutes at Heathrow. *The handling of baggage,* trolley and the taxi facilities are equally archaic.

Why doesn't British Airports Authority send someone to B terminal in Zurich before the number two terminal in London is rebuilt and learn from the Swiss how to design and build a terminal which is both beautiful and efficient and most important *spotlessly clean?*

Andrew Grima.
80, Jermyn Street, S.W.1.

Handling at Heathrow

From The Airport Director, Heathrow.

Sir,—Dr. Weale's (February 26) inference that staff at Heathrow do not care about anything would not be shared by them. *Baggage handling is recognised* by all concerned here as a very important service—the airlines are responsible for the major part of this and we maintain a continuous dialogue with them about it.

The indicators that Dr. Weale criticises are operated by British Airports Authority on receipt of information from the 74 airlines *as to the state of readiness of* those airlines to deliver baggage to the carousels. There is no delay in the display of information so far as we are concerned. We have to ensure that maximum use is made of the carousels and it is not always possible, in times of peak traffic, to allocate a particular flight load to a particular carousel well in advance. Our "traffic" in a year is over 21m. passengers; that for the airports Dr. Weale quotes ranges between about 3m. and 7m.

We have thought a lot about *possible improvements in the* information displayed and are always willing to learn from others' experiences and practices. We maintain a dialogue with our overseas colleagues on mutual problems and we shall certainly take up Dr. Weale's comments *but it is not always possible to* repeat someone else's methods in circumstances which are different. We find that the flight number is the most important item of information to passengers concerning the point to pick up *their baggage.* Many flights arriving at this airport have previously passed through many other places en route. At peak times flights arrive from the *same* point of origin within minutes of each other. In these *circumstances the flight number* is the only sure indication to passengers.

We welcome comments from our passengers and that we actively seek them from time to time through opinion surveys. We also have an *independent* consultative committee concerned with the user interests of this airport whose secretary is: Mr. D. H. P. Huntley, and whose address is: 58 Halstead Road, London N21 3DS.

Mr. Fyson *(also February 26)* is quite right. It is the Government that determines responsibilities, methods and standards for and of security. That security should be effective and passenger inconvenience minimal. These two aspects obviously conflict but if security is to be paramount then to be effective it has to be thorough. Complaints or comments about security at this airport are rare and indicate that passengers are uneasy if they feel that it is not thorough enough.

Mr. Denton's experience is most regrettable if not incredible. It would help us to know the date and time of the Jersey flight so that we can look into the matter. Could he also please tell us which car park he used and when? Several organisations provide large car parking facilities off the airport and we do not want them causing delays of the kind Mr. Denton experienced.

K. B. Walter.
British Airports Authority,
D'Albiac House,
Heathrow Airport-London,
Hounslow, Middlesex

The CBI and the Corporations

From Sir Campbell Adamson, Director-General Confederation of British Industry.

Sir,—In his article "A New Voice in Whitehall" (February 25), Adrian Hamilton stated that the CBI had welcomed Govern*ment policies to restrain prices* charged by the nationalised industries "and then castigated the Corporations for the resulting losses."

This is totally incorrect, as even a cursory look at CBI statements would have shown. For instance, in the Financial Times of January 21, CBI, on the subject of a proposed increase in electricity prices, was quoted as saying "CBI has long maintained that nationalised industry prices should reflect their costs. The CBI would object far more to the Government attempting to hold down prices with subsidies *which would increase the public* sector borrowing requirement."

In the CBI's 1976 Budget Representations, in the section headed "Industrial Policy and Investment," a piece on the nationalised industries reads, "The nationalised industries have been subject to ad hoc interference by successive Governments in their investment, employment and pricing policies. Any constraints imposed on these industries as public services must be clearly specified and costed; subject to these constraints they should be *allowed to operate commercially* within the same framework as the private sector."

Campbell Adamson.
21, Tothill Street, S.W.1.

To-day's Events

GENERAL
National Economic Development Council meets under chairmanship of Prime Minister.
EEC Agriculture Ministers meeting continues, Brussels.
Mrs. Anne Armstrong, new U.S. Ambassador, due to arrive in London.
Chrysler (U.K.) management gives evidence regarding public expenditure on company to Trade and Industry sub-committee of House of Commons.
Ministry of Agriculture gives evidence on inshore fishing industry to House of Commons sub-committee on European *Secondary Legislation.*
CBI Smaller Firms Council meets.
Financial Times two-day conference on "The City in National and International Finance" opens, Royal Lancaster Hotel, W.2. Mr. Stanley Clinton Davis, Parliamentary Under-Secretary for Trade, is guest *speaker at conference lunch.*
Sir Geoffrey Howe, Opposition spokesman on Treasury and *economic affairs, is principal* speaker at Timber Trades Federation annual dinner, Grosvenor House, W.1.
Sir Lindsay Ring, Lord Mayor of London, attends Fishmongers' Company dinner, Fishmongers' Hall, E.C.4.

PARLIAMENTARY BUSINESS
House of Commons: Second reading of Rating (Caravan Sites) Bill, followed by opposed Private Business.
House of Lords: Debate on conditions necessary for economic growth.

COMPANY RESULTS
Nu-Swift Industries (full year). United City Merchants (half-year).

COMPANY MEETING
Blundel-Permoglaze, Connaught Rooms, W.C., 12.

OPERA
The Queen and Duke of Edinburgh attend opening performance of La Cenerentola by La *Scala Milan,* Royal Opera House, W.C.2, 7.30 p.m.

MUSIC
BBC Symphony Orchestra, conductor Michael Gielen, with Yvonne Minton (mezzo-soprano) performs Mahler's adagio from symphony No. 10, Jonathan Harvey's Inner Light (III) for orchestra and quadrophonic tape, and Bartok's suite The Miraculous Mandarin, Royal Festival Hall, S.E.1, 8 p.m.
David Syme gives piano recital of works by Bach, Haydn, Beethoven, Robert *Muczynski,* Chopin and Liszt, Wigmore Hall, W.1, 7.30 p.m.

COMPANY NEWS + COMMENT

Diploma upsurge: £0.5m. rights issue

SHARPLY INCREASED first half profits of £1,024,900, against £786,000, and a one-for-nine rights issue at 50p per 25p share, to produce about £500,000, are announced by Diploma Investments. Profit for the year to June 30, 1975 was £1.96m.

Basic earnings per share increased from 4.03p to 4.87p and from 3.59p to 4.52p fully diluted for the six months. The interim dividend is lifted from 0.7229p to 0.7951p net, and the directors anticipate recommending a final, on the enlarged capital of 2.2924p per share (1.4448p) for which the Treasury has given consent in the context of the issue.

	Six months 1975 £	*1974 £
Turnover	9,516,000	8,562,600
Trading profit	1,066,600	854,600
Loan stock interest	41,700	68,600
Profit before tax	1,024,900	786,000
Taxation	523,700	400,000
Minority interests	52,000	33,500
Net balance	449,200	325,500
Preference dividend	1,000	1,000
Attributable Ordinary	448,200	351,500
Interim dividend	73,200	63,100
Balance	375,000	258,400

* Adjusted to reflect cancellation of Rednor 5½ per cent Loan stock and acquisition of minority interest in Rednor in April 1975.

All divisions provided good contributions without any significant change in pattern from the profit breakdown of the last financial year, with the exception of property which, in the six months, contributed aproximately £100,000, mainly the result of the sales of completed properties. The written down value of the remaining sites is approximately £200,000 after provisions and assuming the completion of a further sale which is under contract, says the chairman, Mr. A. J. C. Thomas.

In addition to the sale of properties the investment portfolio has been realised for nearly £500,000 against a book value of £512,103.

These disposals, allied to the strong positive cash flow, have created a very liquid position for currently the directors are hardly using the considerable overdraft facilities and also have over £500,000 on short term deposits.

However, they consider that it is prudent to take advantage of current investment conditions to provide for the future and raise further capital by way of a rights issue.

The proceeds along with the deposits are intended to be used for capital items, leaving the overdraft facilities available for an increase in stock and debtors when the widely forecast industrial recovery occurs, says Mr. Thomas.

Holders, nearly half represented by institutional investors, may look to the future with the expectation of profit growth from existing operations. It is also the policy to re-embark upon an acquisitive route after going through a period of consolidation following the successful development of most of the activities acquired or started up during the previous half decade, the chairman adds.

The issue is for holders registered on March 8.

● comment

Ex the property profits, Diploma's half-time pre-tax total is 17.7 per cent. ahead, with the main impetus having come from a recovery on the industrial distribution side Manufacturing and engineering, which made all the running last year, achieved a marginal improvement this time. The group's long-term order book is still fairly strong but conditions generally are very difficult, particularly in manufacturing, and the short-term order position is weakening. The second six months will compare with a more buoyant period than the first, and some downturn seems inevitable. However, a full-year profit of around £2m. pre-tax still looks within reach and that would cover the forecast dividend 2.7 times with a yield of 7.8 per cent. at 80½p (ex rights). Given the growth record and the good liquidity position—after the rights the group should have around £1m. in cash with no short-term debt—the shares have ample support.

INDEX TO COMPANY HIGHLIGHTS

Company	Page	Col.	Company	Page	Col.
Austin (Leyton)	16	5	Imperial Chemical Inds.	17	4
Cardinal Invest.	17	5	Jarvis (J.)	16	2
Cohen & Wilks	18	8	Jetinga Holdings	16	5
Diploma Invest.	16	1	Mills & Allen	17	3
Dunford & Elliott	18	7	Reardon Smith	16	7
EGA Holdings	16	4	Second British Assets	16	7
First Scottish Invest.	17	5	Shakespeare (Jos)	16	3
Goode Durrant Murray	17	6	TCK Group	16	4
Greenfield Milletts	17	3	Unilever	17	1
Hindson Print	16	8	Willow Francis	16	5

J. Jarvis rise in first half

BUILDING AND civil engineering contractors, J. Jarvis and Sons reports pre-tax profits, up from £236,500 to £244,000 for the six months ended September 30, 1975. The directors say an encouraging number of invitations to tender have been received and so far trading remains satisfactory.

A net interim dividend of 3.5p (3.3p) is declared and it is expected that the total for the current year will be close to the maximum permitted—for 1974-75, total payout was 7.1432p from pre-tax profits of £456,512.

Turnover for the first six months was up from £6.24m. to £7.11m. Tax takes £130,600 (£126,700) leaving net profits at £113,400 against £109,800.

● comment

With the value of current orders for J. Jarvis at roughly the same level as this time last year and profits at the interim stage only 3.2 per cent. higher, the company remains more or less on the plateau it established some 18 months ago. This shows some resilience to the recession in the construction industry, although the company's margins would probably be barely 2 per cent. if it were not for the high level of interest still being received on its cash resources. At the end of the 1975 financial year, interest on £1.16m. cash accounted for around 43 per cent. of total profits and this level is likely to be maintained until the end of the current year. Assuming that the total dividend increase will be in line with that of the interim, the yield on the shares at 136p is nearly 8.8 per cent. which would be covered just over once by earnings over the last 12 months.

Shakespeare forges ahead

MANUFACTURERS of forgings and parts for tractor, automobile and other industries, Joseph Shakespeare and Company reports turnover up from £4.85m. to £5.48m. for 1975, and an advance in pre-tax profits from £501,086 to a record £703,218 after £361,000, against £211,000 for the first half.

Full year earnings are shown to have risen from 4.86p to 7.86p per 5p share, and the dividend total is lifted from 0.75p to the maximum permitted 0.79800499p net with a final payment of 0.4294975p.

Net assets stood at £2.8m. (£1.71m.) at the year end.

	1975 £	1974 £
Turnover	5,481,335	4,851,729
Depreciation	85,278	73,250
Bank interest	43,498	59,483
Profit before tax	703,218	501,086
Taxation	349,350	218,286

● comment

Though Joseph Shakespeare has turned in a sparkling set of results with record profits and enhanced margins—up from 10.3 per cent. to 12.8 per cent.—it is apparent that demand has slackened considerably, with second-half turnover down 15 per cent. after a mid-term jump of 43 per cent. Paradoxically, margins spurted to 16 per cent. in the depressed half, helped by savings in overtime and extra shift work. Overall, profits were given a boost by a drop of more than 50 per cent. in interest charges—bank overdraft was down by more than £300,000 to only £56,000 at year-end—and stock profits from the March steel price increase. Demand is expected to remain depressed until the second half of the current year, which may explain the poor response from the market—the share price rose 1p to 28p, giving a p/e of 3.6 and a yield of 4.4 per cent. covered 9.9 times.

Midway growth at EGA

FIRST HALF group pre-tax profit of EGA Holdings expanded from £396,000 to £514,000, and the directors expect the year's figure to exceed the £935,000 for the year to April 30, 1975.

Stated earnings per 10p share for the half year were 4.6p (3p) on shares currently ranking for dividend and 4.1p (2.7p), on the total shares issued including partly paid. The interim dividend is effectively raised from 0.375p to 0.4125p net. Last year's total was equal to 1.5p.

	Six months 1975 £000	1974 £000	Year 1974-75 £000
Sales (exclud. VAT)	3,299	2,835	6,089
Profit	595	459	1,104
Depreciation	81	63	169
Pre-tax profit	514	396	935
Taxation	254	216	492
Minority interest	5	10	26
Net balance	255	170	427
Dividend	34	21	82
Retained	221	149	331

The company manufactures plastic products for the electrical industry and is engaged in engineering precision machining, steel fabrication and constructional steelworking.

● comment

All of Ega's divisions have apparently contributed to the 30 per cent. rise in half-time profits, but the main growth appears to have come from the two major divisions, plastics and engineering. The former, which was helped by a recovery at F. Wilkinson, actually experienced a drop in sales volume but it was able to compensate for this by introducing several new higher margin products. Engineering activity remained fairly strong in the first half, though here margins went into decline. With overseas competition now biting deeper into plastics sales and engineering margins continuing to slide, the second six months is likely to see a drop in profits and a full-year pre-tax outcome of around £1m. is probably the most that can be hoped for. However, the group has a strong growth record and the liquidity position is apparently improving (in the last balance sheet cash roughly cancelled out the total debt) so the shares at 45p, yielding a prospective 5.6 per cent., covered more than 3 times by interim earnings, seem on firm ground.

TCK slips after loss by Impala

TRADING profit for 1975 of engineers TCK Group advanced from £149,000 to £206,000, but after exchange losses of £30,000 and a loss of £38,000 within a subsidiary pre-tax profits slipped from £149,000 to £138,000. At mid-way profits before tax were £142,055 against £11,345.

The directors state that the advance in trading profit reflects continuing progress in the group, and that the loss within the subsidiary (Impala Ltd.) must be viewed within the context of a purchase price of £2,000 and net assets at the end of 1975, after fully accounting for the £38,000 loss, of £51,000.

Full-year earnings are shown to to be down from 16p to 14.25p per 25p share. As forecast the final dividend is 2.94125p net, lifting the total from 3.1925p to 3.54125p.

	1975 £000	1974 £000
Turnover	3,356	2,879
Trading profit	206	149
Loss in subsidiary	38	—
Exchange losses	30	—
Profit before tax	138	149
Tax	24	21
Net profit	114	128
Extra-ord. debits	22	19
Attributable to Ordinary	92	109
Dividends	45	42
Retained	47	67

● comment

After first-half profits of £142,000, TCK's forecast of a similar outcome in the second six months has proved to be way off target. Profits in this period are in fact less than half that figure, and, if losses on exchange and a newly-acquired subsidiary are taken into account, the company actually lost money in the second half. Not surprisingly, the shares dropped by a fifth to 123p last night where the p/e is 8.4 (or double that on a full tax charge) and the yield 7.1 per cent. The main problem has been the newly-formed press division, which through a combination of start-up costs and a rise in activity yet to be matched by deliveries (leading to unrecovered overheads), turned in an £80,000 loss. Reflecting the build-up in work-in-progress, borrowings have doubled to £1.4m. compared with shareholders' funds of £616,000 (before a recent property revaluation). The main areas of profits—central heating and packaging machinery—are firm enough and, with a turnround to profits in presses, the group looks for a "substantial," if unquantified, advance in the current year.

PROPERTY GROWTH OVERSEAS

Property Growth Assurance is establishing a wholly-owned life assurance subsidiary in Gibralter—Property Growth Overseas, which will be writing linked life assurance contracts denominated in sterling and U.S. dollars for the benefit of non-U.K. residents.

The linking will be to a managed fund which initially will invest predominantly in high yielding fixed-interest U.K. stocks, with equity and property investment being undertaken later.

The management and control of the company will be outside the U.K. and Mr. Peter Hutley, chairman and founder of Property Growth, will be responsible for its development.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
F. Austin (Leyton) ... int.	0.14	April 12	0.14	—	0.45
Clydesdale Bank	9.6	—	8	17.6	16
Diploma ... int.	0.79	April 6	0.72	—	2.17
EGA Holdings ... int.	0.41	May 1	0.38*	—	1.5*
First Scottish American	1.6	April 8	1.5	2.3	2.2
Greenfield Milletts	0.67	April 2	0.64	1.0	0.94
Hindson Print ... int.	1.05	May 14	1.05	—	3.15
J. Jarvis ... int.	3.5	April 2	3.3	—	7.14
Myddleton Hotels ... int.	1.46	April 16	1.51	—	3.62
Reardon Smith ... 2nd int.	1.12	April 2	1.15	2.74	2.83
J. Shakespeare	0.43	—	0.41	0.8	0.75
TCK Group ... 2nd int.	2.94	—	—	5.54	5.19
Unilever Ltd	8.43(b)	—	7.38	13.67	12.09
Unilever N.V.	4.72(a)	May 24	4.32	7.65	7.25

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Florins. (b) First instalment 6.38p payable, May 24.

ISSUE NEWS AND COMMENT

Sutton Water £3m. Preference tender

Arrangements have been completed for an offer for sale by tender of £3m. of 8 per cent. Redeemable Preference stock 1981 in the Sutton District Water Company, at a minimum price of £99 per cent.

The stock is payable as to £10 per cent. with each tender to be received no later than March 9. The balance is due on or before April 6. Tenders must be for a minimum of £100.

Dividends on the stock will be paid half-yearly on January 2 and July 1 with the first payment to June 30, 1976 being £1.9244 net per cent. At the issue price the grossed-up flat yield is 12.43 per cent. and the redemption yield 12.58 per cent.

Brokers to the issue are Seymour Pierce and Co.

● comment

Sutton District Water's stock is pitched with a minimum tender price half a point above the Mid-Sussex issue last week, even though the result of the latter's offer has yet to be announced. Such is the broker's confidence that the shortage of stock in the market should ensure a good reception to Sutton, despite the weakening of gilt prices. The result of the Mid-Sussex issue will be announced to-day, so obviously finer tuning of a tender price can be made in the light of that, but on current conditions a minimum tender price for Sutton of say £99½ per cent. looks in order, where the grossed-up flat and redemption yields of 12.37 and 12.44 per cent. offer a comfortable advantage over comparable gilts.

Abridged details, Page 17

'PUTPAGS'

The next issue of units in The Property Unit Trust for Public and General Superannuation Schemes (PUTPAGS) takes place on March 12 at a subscription price of £1,020.80 per unit, less a rebate of £10.80 for direct applications. The yield, on the basis of the last four quarterly distributions, would be approximately 6.2 per cent.

J. H. Dennis rights at 30p

James H. Dennis, engaged in engineering in the U.K. and chemical manufacturing in France, proposes to raise £140,600 by a rights issue on the basis of one-for-four at 30p each. The shares closed 9p higher at 50p yesterday.

The issue, which is being underwritten by Rowe and Pitman, Hurst-Brown, is to finance modernisation of the ferrous and non-ferrous foundries. Proceeds will be partly used in meeting the high cost of complying with recent safety regulations, and also in increasing production capacity.

Treasury consent has been obtained for total dividends to be paid on the increased capital of 2.520p (3.89p gross), representing a 50 per cent. rise over last year's total.

The company states that the first quarter's figures are in line with budget and the chairman sees no reason to depart from a previous forecast of a further significant advance in earnings for the whole year.

The issue is being offered to shareholders at February 26, for payment in full by March 26. Provisional allotment letters will be posted to-morrow for dealings to commence on Friday.

Yearlings at $10\frac{1}{8}$%

The coupon rate on this week's issues of local authority yearling bonds has increased from last week's level of 10 per cent. at £99$\frac{15}{16}$ to $10\frac{1}{8}$ per cent. at par. The bonds are due March 9, 1977.

This week's issues are:— Norfolk County Council (£½m.), Strathclyde Regional Council (£½m.), Kettering Borough Council (£½m.), South Kesteven District Council (£½m.), Llanelli Borough Council (£½m.), City of Wakefield Metropolitan District Council (£½m.), South Oxfordshire District Council (£½m.), Bradford Metropolitan District Council (£½m.), Vale of Glamorgan Borough Council (£½m.), The Metropolitan Borough of Wigan (£½m.), Dumfries and Galloway Regional Council (£½m.), Torfaen District Council (£150,000), Preseli District Council (£½m.), Borough of Blaenau Gwent (£0.2m.), Corporation of London (£1m.), Cornwall County Council (£½m.), Cyngor Dosbarth Dwyfor (£½m.), London Borough of Enfield (£1m.), Horsham District Council (£½m.), Northavon District Council (£½m.), North Warwickshire Borough Council (£½m.), South Northamptonshire District Council (£½m.), Taff-Ely Borough Council (£½m.), West Midlands Metropolitan County Council (£½m.), Wimborne District Council (£½m.), Taunton Deane Borough Council (£½m.), Aylesbury Vale District Council (£½m.), Gwent County Council (£½m.), Bury Metropolitan Borough Council (£½m.), City of Cardiff (£½m.), Chichester District Council (£½m.), Newport Borough Council (£½m.).

London Borough of Islington has raised £1m. by the issue of 11¾ per cent. bonds due March 1, 1978, and London Borough of Harrow £½m. by the issue of 10¾ per cent. bonds due September 7, 1977, both at par.

F. Austin advance

ON HIGHER turnover of £3.7m. against £3.19m., for the six months to December 31, 1975, pre-tax profit of furniture manufacturers, F. Austin (Leyton) advanced from £189,700 to £246,300.

The interim dividend is maintained at 0.14p net. Last year's total was 0.44669p net from profits of £362,000.

After tax for the half year of £130,000, compared with £99,000 the net balance comes through £25,600 higher at £116,300.

Willows Francis

FOR THE six months to December 31, 1975, Willows Francis achieved a return to profit with £90,919 before tax and the directors estimate that profits for the current year will be not less than £180,000. This compares with losses of £53,984 for the first half and £39,036 for all of last year.

Based upon this profit expectation a final dividend of not less than 2p net will be recommended. The interim dividend is 0.75p. No dividends were paid last year.

Turnover for the six months improved from £900,222 to £1,048,447. Tax took £45,000 compared with a £29,700 credit.

Dividend delay at Jetinga

The directors of Jetinga Holdings, tea producers, announce that the 3.753752p net dividend in respect of 1974, approved on December 16, 1975 has not been paid yet because the necessary funds have not been received from India.

Every effort is being made to expedite remittance of this money, but until it has been received, and the 1974 dividend has been paid, they do not feel it is practicable to give any indication regarding the payment for 1975.

Reardon Smith se… £1.5m. downturn

PROFITS of Reardon Smith Line are estimated at £596,000 in the year ended March 31, 1976, against £5.48m. in 1974-75, but after adding a £4.05m. (£688,915) surplus on disposal of vessels, pre-tax profits emerge at £4.65m. compared with £6.17m.

The directors say the results, in the circumstances currently prevailing, must be considered satisfactory and bearing in mind the previous year's record results and dividend restrictions, a maintained gross total dividend of 8.4375 per cent. is justified.

The gross dividend is equivalent to 2.7422p net against 2.8265p—the second interim in lieu of a final is 1.1172p.

The Board now says the estimated results for the year generally fall in line with the indications given at half-way.

An increase in estimated profits occurred in the second half, due mainly to the effect of the weakness of the pound in relation to the U.S. dollar, from which latter curency virtually the whole of the group's income is derived.

The final accounts will show a reasonable cash position but unless the freight and rig markets show an improvement in the not too distant future, the shipping industry could have liquidity problems, the directors state.

	Estimated 1975-76 £	Actual 1974-75 £
Trading profit*	3,968,000	6,533,433
Interest payable	1,107,000	546,193
Depreciation	1,763,000	1,479,377
Investment grants	378,000	886,772
Profit	596,000	5,479,734
Surplus sale vessels	4,050,000	688,915
Profit before tax	4,646,000	6,168,649
Future tax	2,416,000	3,799,272
Net surplus	2,230,000	2,370,377
Dividends	224,000	230,944
To revenue reserve	2,006,000	2,139,433

* Including investment income £426,000.

The rig owned by Celtic Drilling Company, in which Reardon Smith has a 53 per cent. interest, has been fixed, subject to contract, with British Petroleum at a rate which, in to-day's market, can be considered satisfactory.

During the year, four of the partners representing overseas interests in Atlantic Drilling Company, found that they could no longer participate. In conjunction with one of the other major partners, it became necessary to avoid a partnership break up for Reardon Smith to take up additional shares and the group now has a 50 per cent. interest in Atlantic Drilling. Because of the release of the overseas partners, Atlantic Drilling is now 89 per cent. British owned, with the balance made up principally with Irish interests and a small Norwegian interest.

The Celtic Drilling Company is already 77 per cent. British-owned and, with the large percen… British interest in … Drilling, it is hoped … activity increases for the … ment of these rigs, the … employment in the Britis… must be enhanced.

Satisfactory loans hav… arranged on the Celtic … Atlantic rigs while Yar… is available on delivery … second Atlantic rig buil…

The m.v. "Polysaga" … terminates in April this … far as medium-sized tan… concerned, the future is … less bleak than for ve… crude carriers. The up… economic activity now be… particularly in the U.S., … result in an earlier impr… in the trading prospects … class of vessel, the directo… out.

The group's oldest … "Atlantic City," has been … a satisfactory price.

● comment

Before tax and ship sales, … Smith is going to make … for 1975-76: depreciati… retentions are estimated … on £3.4m.; and year-end … ings at around £11½m. net … well within shareholders … of around £18½m. But R… financing problem is now … very close indeed. The C… is on a three year cha… washing its face; but … Atlantic rigs still have no… nent home, and that also … the three big bulk carriers … delivery this year an… Meantime, latest earni… just cover the 1¼ per ce… —with the shares up 5p … yesterday against last … peak of 710p and outside e… of net worth of around … mark.

Hindson Pri…

HINDSON PRINT GROUP … pre-tax profits down from … to £63,250 for the half … December 31, 1975 on … £1.48m. compared with … Profits for the year to Ju… reached £259,384.

The results reflect the … tion fall experienced thr… the general printing indu… the directors. Performa… respond if the reported … signs are realised … th… members, but in view … U.K.'s deep recession, "th… likely to be rapid."

The net interim dividen… at 1.05p per 20p share … directors expect to … maintain the final at 2.10…

Second British Assets investment policy

BY KEEPING sizeably invested overseas the directors of Second British Assets Trust believe that the company has a portfolio well balanced and sufficiently flexible to meet changes as they occur, says chairman Sir Alastair Blair.

He states that ideally the directors would like to have a greater proportion of funds invested in the U.S., but the heavy cost of such investment with the dollar premium at its present high level and the much greater tax burden borne by the company's overseas income militate against such investment and result in the company having a larger percentage in the U.K. than would otherwise have been the case.

On reviewing the first year of the company under the new policy of concentrating rather more on capital growth than on income, the directors have felt that it would be appropriate to change the name of the company in order to distinguish it from British Assets Trust which is now concentrating rather more on growth of income than previously. Accordingly a special resolution will be proposed at the AGM to approve the change of name to Edinburgh American Assets Trust.

As reported on January 23 net income after Preference dividends for 1975 dropped from £347,000 to £170,000 or from 3.78p to 1.85p per 25p share. The divi… 1.5p (3.57p) net.

Sir Alastair explains th… fall in income was the … quence of the change of e… to capital appreciation.

However, the net inco… little higher than an… mainly because of the … in U.K. investments whi… duce a much higher … return for holders.

Because of the cons… uncertainty concerning th… of Haw Par Brothers … national, the directors … that they do not ha… necessary facts on which … a valuation of the holding … company and its U.K. su… and have consequently de… value each holding at £1 … year the two holdings … had a value of £224,000 … represented 2.44p per sha…

Meeting, Edinburgh on … 25 at 2.15 p.m.

Chairman's statement, P…

THE SUTTO… WATER …
…R SAL…
£3,00…

مكتبة من الأصل

Unilever cuts year's shortfall to 2%

FINAL QUARTER 1975 combined pre-tax profit of Unilever Limited and Unilever NV increased by 55 per cent. to £98.6m., leaving the year's total down 2 per cent. on closing rates to £325.6m., or a fall of 9 per cent. on comparable rates.

Third party sales for the fourth quarter were up by 7 per cent. to £1,676m., comprising Limited £742m. (£685m.) and NV £934m. (£888m.), giving a combined total for the year of £6,760m. This is an increase of 16 per cent. on closing rates or 8 per cent. on comparable rates. Limited contribution £2,876m. (£2,441m.) and NV £3,884m. (£3,402m.).

A final dividend of Fls.4.72 per Fls.20 Ordinary (Fls.4.32), brings the total of NV dividend to Fls.7.65 (Fls.7.25).

Limited recommends a final of 8.43p net per 25p share (7.38p), making 13.67p (12.09p). Stated earnings per share were 38.1p (41.76p).

The dividend proposals represent an increase of 5.5 per cent. in NV's total. Because of the fall since last year in the sterling/guilder exchange rate, Limited will be obliged under the equalisation agreement to increase its total by an amount which exceeds the statutory limit of 10 per cent. As before the Treasury has agreed to such declarations by Limited, subject to the condition that the total amount paid to holders by way of dividends for 1975 is kept within the statutory limit and payment of the balance of 1975 dividends is postponed.

It is therefore again proposed to make the final of Limited payable by instalments. The first instalment of 6.38p per share would be paid on May 24. This would bring Limited's dividend payments for 1975 up to 10.18p per share which is within the statutory limit. The balance of Limited's 1975 final dividend which together with the deferred balance of earlier dividends would amount in total to 9.48p per share, would be paid when circumstances permit to holders of Ordinary capital now in issue registered at the time of payment.

The recovery in operating profit which started in the second quarter continued throughout the rest of the year. Results for the fourth quarter, although flattered by comparison with the poor fourth quarter of 1974, were very encouraging.

For the year as a whole, operating profits in Europe were much lower than in 1974, to a large extent because of difficult operating conditions in the edible fats and oil milling business in the early part of the year, and also because of falls in sales volume of a number of products, especially those sold for industrial uses. The trawling operation had a bad year. The dairy products and meat businesses each operated at a loss in total. Ice cream had an excellent year.

In the U.S. sales and profits of Lipton were better than last year: results of Lever Brothers Company were however disappointing, especially from edible fats.

Elsewhere outside Europe most countries showed a satisfactory improvement. UAC International had a very good year for nearly all their main operations.

	1975 £m.	1974 £m.
Sales Third Parties	6,760	5,843
Limited	2,876	2,441
N.V.	3,884	3,402
Operating profit	363.8	357.4
Non-recurring debits	12.7	0.1
Trade invest. incomes	6.8	2.8
Interest charges*	[illegible]	26.9
Profit before tax	325.6	333.2
Taxation	167.2	161.5
Tax credits	6.2	11.8
Outside interests and Pref.	[illegible]	15.3
Attributable Ordinary	141.6	155.1
Limited	83.7	88.2
N.V.	57.9	66.9
Limited dividends	21.8	19.2
N.V. dividends	45.1	39.3
Retained	74.7	96.9

* Loan capital interest £23.9m. (£21.9m.) less other interest £1.5m. (debit £5m.). · Debits.

Statement, Page 18
See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TO-DAY

Interims:— Black Arrow, Silverthorne, United City Merchants, Wolverhampton Die Casting.

Finals:— BCA, Bouser Engineering, Rhodesian Corporation, United States Debenture Corporation.

FUTURE DATES

Interims:—
Adams Foods ... Mar. 15
Capseals ... Mar. 12
Cope Allman ... Mar. 12
Gibbons Dudley ... Mar. 18
Parker Knoll ... Mar. 8

Finals:—
Commercial Union ... Apr. 5
Ford (Martin) ... Mar. 8
Friedland Doggart ... Mar. 18
Lex Service ... Mar. 19
Sale Tilney ... Mar. 18
Small (John C.) and Tidmas ... Mar. 9
Stag Furniture ... Apr. 13
Turner (W. and E.) ... Mar. 8

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975/6 High	1975/6 Low	Stock	Closing Price p	+ or −	Div. Amount	Times covered	Gross Yield	P/E Ratio
50c	F.P.	—	640	380	Ang.Am.Coal Corp.50c	380	......	M$58c	2.8	4.0	—
U.S.$	F.P.	—	$12¼	$12	Brazil Fund S.A.	$12	......	—	—	—	—
$10,500	F.P.	—	$10,500	$10,500	Brasilvest S.A.	$10,500	......	—	—	—	—
67	F.P.	—	85	82¼	Electra Inv. Tst.	83½	+½	b5.6	1.1	6.7	21.4
—	F.P.	—	£43	£26¼	Hughes Tool $1	£31	......	Q4c	—	0.8	—
10	F.P.	—	275	168	LASMO'OPS' Units 10p	168	+5	—	—	—	—
10	F.P.	—	0	168	SCOT 'OPS' Units 10p	165	+5	—	—	—	—
—	F.P.	—	£20¼	£20⅛	Tenneco Inc. $5	£20⅝	+¼	Q$1.76	—	4.0	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975/6 High	1975/6 Low	Stock	Closing Price	+ or −
£100	F.P.	—	100¼	99⅝	Agricultural Mort. 10⅝% Bds. 1977	100¼	....
£100	F.P.	—	100	100	Do. Do. 10⅝% Bonds 1977	100	....
£100	F.P.	7/4	106	98	Arbuthnot Lath. 9% Conv. Uns. 1990	104	....
£100	F.P.	19/3	137	136	Bowring (C.T.) 10% Conv. Uns. Loan 1991	134	....
$100	—	—	99½	99	British Gas Corporation Intl. Notes 1981	$99½	....
£98	F.P.	23/1	104½	99½	Essex Water 9% Red. Pref. 1981	101½xd	....
HK$100	50	26/6	12½	825p	Jardine Math. 12% Conv. Uns. 1990	10⅞	....
£100	£50	—	32½	30	LASMO 14% Uns. Loan 81-85	30	....
$100	F.P.	—	99½	99½	Midland Bk. FloatCap. Notes 1983	$99½	....
$100	F.P.	—	101	99¾	Norway 8¾% $ Notes 1981	101	....
£100	—	16/2	111	92	Pentos 15% Conv. Uns. 1985	111	....
$100	F.P.	—	99½	99½	Royal Tst. Mort. Corp. 9¾ Deb. 1981	$99½	....
£100	£50	—	32½	30	SCOT 14% Uns. Loan 81-85	30	....
$100	F.P.	—	99½	99½	Seagram 9% Notes 1983	$99½	....
50p	F.P.	17/11	50½	46	Single 10% Cum. Conv. Pref.	47½	....
£1289	F.P.	20/2	130½	110	Tenneco 10% Sterling $ Conv. 91-95	129	....

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date		1975/6 High	1975/6 Low	Stock	Closing Price p	+ or −
60	Nil	12/3	—	15½	11	Allen E. Balfour	13½pm	....
54	F.P.	4/2	26/3	75	65½	Armitage Shanks	70½	−½
60	F.P.	13/2	12/3	69	60½	Baker Perkins	69	....
96	F.P.	11/12	6/4	146	96	Beresford (S & W)	141	+1
120	F.P.	2/3	7/5	141	138½	Blackwood Hodge	139	....
28	Nil	15/3	12/4	7	6	Braham Miller	6pm	....
55	Nil	6/4	6/5	95	26	Brentnall Beard	90	....
25	F.P.	17/2	24/3	28	25¼	Brown Boveri Kent	25½	....
75	F.P.	27/2	26/3	97	95	Carpet Intnl.	95	+1
29	Nil	18/3	15/4	6	4	Copeerath	6pm	....
31	Nil	12/3	9/4	9	9½	H.A.T. Group	10pm	....
15	Nil	4/3	9/4	7¾	7¼	Jackson (J. & H. B.)	7¼pm	....
57	Nil	9/3	6/4	9	5	LCP Holdings	7pm	....
60	F.P.	26/1	12/3	71	60½	Lane & Elliot	71	....
15	F.P.	13/2	16/3	21	18	Liner Concrete Machinery	19	....
57	Nil	3/3	20/7	10½	7	Lloyd (F.H.)	9pm	+1½
210	Nil	16/3	23/4	36	19	Lloyds Bank	22pm	−1
64	Nil	12/3	2/4	21½	12¾	Meyer (Mont. L.)	17pm	....
19	Nil	16/3	26/4	4	3¾	Mitchell Somers	4pm	....
$1....	F.P.	30/1	15/2	302	250	Nat. Bank of Aust.	260	−10
110	F.P.	25/2	19/3	146	129	Ocean Transport	151	+½
365	Nil	—	—	42	32½	Standard Chartered	29pm	....
64	F.P.	24/2	25/5	94	85½	Steelhouse Hldgs.	94	....
60	F.P.	25/2	24/5	82	22	Strong & Fisher	85	....
42	Nil	12/3	2/4	10	3½	Tecalemit	4½pm	−1
15	F.P.	6/2	2/4	14	12½	Tomkins (F.H.)	12½	....
42	Nil	17/3	14/4	22	13	Triplex Foundries	19pm	....
150	Nil	16/3	11/6	19	10	Turner & Newall	14pm	+5
46	Nil	16/3	12/6	7½	4	Ward (T. W.)	3½pm	+½
8	Nil	—	—	6	5	Wheway Watson	5pm	−1
105	F.P.	27/2	9/4	158	125	Wolseley-Hughes	150	....

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p*** Pence unless otherwise indicated. u Forecast dividend; cover based on previous year's earnings. M Figures based on prospectus or other official estimate for 1976. T Figures assumed. ; Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ 250 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ¶ Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ◆ Issued to former Preference holders. ; Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ‡ With warrants.

ICI looks to Europe and N. America

THE DECISION to remain in the EEC will give **Imperial Chemical Industries** great opportunities to build on the solid foundations established on the Continent over many years, says the chairman, Mr. R. S. Wright.

And the success of its first public loan raised in the U.S. and the good ratings secured from the U.S. rating agencies "speak well for the opportunities open to us in North America," he adds.

Mr. Wright stresses that the extent of the group's future investment must depend upon its continued profitability, and although it will have to contend with many external factors over which it has no control he believes the company has created "a resilient business well able to shape its own future."

Reviewing the 1975 results, the chairman notes that ICI came through a world slump in chemicals relatively well and continued its massive investment programme at the rate of more than £1m. a day.

No cut backs

This was the figure announced at the beginning of the year—"and we did not cut it back although continuing inflation meant that we were able to buy less for our money," Mr. Wright adds.

He does not believe that ICI has fallen into the trap, always a danger from a large organisation, of stifling individual endeavour and forcing people to conform. "We have forged technological and commercial strength out of the abilities of those who work in ICI and we have benefited enormously by encouraging the individual contribution of each one of them," he says.

As reported on February 20, group pre-tax profit fell from £455m. to £327m. for 1975, and the dividend total is raised from 11.0801p to 11.8243p a share net, the maximum permissible.

Regional development grants have been credited in full to profits instead of being spread over the lives of the relevant assets. This has increased taxed profits by £20m. (£11m.), and is a reservation noted in the auditors' report.

With the group's main base in the U.K. the results to a large degree reflect the problems of the nation as a whole, says Mr. Wright. But they also underline the group's world-wide organisation, its wide range of products and technologies and flexibility.

Higher prices and greater operating costs caused by inflation and under-utilisation of productive capacity, were faced. And the result notwithstanding an upturn in the final quarter, was a significant 23 per cent. fall in trading profit from £457m. to £353m., which is reduced even further if adjusted for inflation.

"This must be a matter for concern," the chairman states. "Our ability to invest in plant and equipment, to modernise, to meet the growing demands of customers and to secure our future prosperity, depends critically on the profits we earn."

Reflecting the lower profitability of U.K. trading operations the rate of bonus payable under the employees' profit sharing scheme is reduced to 5p per £1 of remuneration (10p per £1) costing £17m. (£25m.).

Group sales in the U.K. increased by 9 per cent. to £1,311m. and overseas by 2 per cent. to meet the growing demands of £1,788m. Although sales volume was down by 7 per cent. expenditure on raw materials and services rose by 7 per cent. and the wages and salaries' bill by 21 per cent.

The share from principal associates was markedly lower—from £43m. to £24m.—and other investment income was also reduced from £44m. to £39m. while interest payable, reflecting additional borrowings during the year, increased from £64m. to £72m.

The high level of fixed capital expenditure and the further sums required to finance additional working capital together greatly exceeded operating cash flow and the shortfall was made up by further borrowings thus enabling the group to maintain its net liquid resources substantially unchanged.

Largest of public borrowings were $100m., DM100m. and $A25m.—equivalent to a total of £84m.

Group assets increased from £2,412m. to £2,748m. The return on average assets employed fell from 22 to 15 per cent.

The level of expenditure, largely on projects sanctioned in earlier years, was by a considerable margin the highest in the group's history. The total sanctioned rose from £369m. to £390m., spent from £199m. to £304m. and sanctioned but unspent from £340m. to £426m.

By strict control over working capital levels the overall net increase in working capital was proportionate to the rise in turnover. Debtors increased by seven per cent. to £711m. The total value of stocks rose by ten per cent. to £743m. and trade creditors showed a similar increase.

See Lex

Goode Durrant to improve

A BETTER year and even higher liquidity is anticipated for the **Goode Durrant and Murray Group** by the chairman Mr. L. E. Robinson.

He tells shareholders that liquidity will be strengthened further by limiting the level of advances in instalment credit and property. Loans in the property field have come down from a peak of £12.8m. in 1974 and at October last year, stood at £9.4m.

It is not anticipated that this market will prove strong enough to warrant the group going for expansion until the last quarter of 1976, "so we expect the total of our property loans to continue to reduce during this financial year," Mr. Robinson says.

As reported on February 5, pre-tax profits for the year ended October 31, 1975, were down from £1.32m. to £0.89m. The dividend is an unchanged 0.7875p.

There has been a reduction in borrowings, less cash held, from £33.8m. in 1974 to £24.6m. in 1975 so that the ratio of borrowing to shareholders' funds has come down from 2.31:1 at October 1974 to 1.7:1 at October 1975.

The group's ultimate holding company is Palsley incorporated in the Cayman Islands.

Chairman's statement, Page 18

Mills & Allen

The directors of **Mills and Allen International** (poster and cinema advertising, etc.) are deferring payment of the half-yearly dividend due March 31 next on the 3½ per cent. Preference shares until the figures for the year to June 30, 1976 are available.

Greenfield Milletts recovery

RETAIL AND wholesale leisurewear and camping group, Greenfield Milletts, has achieved its foreshadowed second half recovery. After a first half downturn from £277,000 to £163,000, group pre-tax profit improved from £551,010 to £553,171 in the year to October 31, 1975, on a turnover up from £5.2m. to £5.74m.

And the chairman, Mr. R. Greenfield, says retail turnover in the first four months of the new year has been running well ahead of 1975 levels, while wholesale order books are considerably healthier.

He believes, barring any further political or economic problems, that the strong upward trend experienced since last summer, will continue "and 1976 will prove a most successful year for the group."

A final dividend of 0.6725p per 10p share makes a maximum permissible total of 0.9975p (0.933p). Earnings were 2.82p (2.55p) per share.

Measures taken to combat the problems caused by the economic recession proved successful. Four new retail outlets were opened in the Home Counties bringing the total to 41 stores. The new units were not opened until the end of the financial year.

A successful cost reduction and control programme was carried out; and this meant that 1975 operating costs rose by less than 10 per cent. above 1974 levels. Stockholdings were reduced and stockturn performances improved.

He reports that trade in the wholesale division is particularly buoyant with most customers, having run down their stocks last year, now ordering in larger quantities in preparation for the coming season.

	1974-75 £	1973-74 £
Turnover	5,735,532	5,201,799
Profit before tax	553,171	551,010
Taxation	307,600	312,804
Net profit	245,571	238,210
Retained	152,006	150,594
Total net assets	1,848,545	1,709,151

● comment

After a profits drop of two-fifths at the interim stage, **Greenfield Milletts** has made a full recovery in the second half to leave full-year profits all square. In the first half, GM was caught in an overstocked position while demand was at a low ebb. However, in the summer the group had none of these constraints, and a tight hold on costs combined with a sales rise of 21 per cent. enabled pre-tax profits to climb 42 per cent. in this period. Trading-up has helped, and a new range of casual wear is planned for this year along with a larger "own brand" framed tent. The wholesaling division's prospects also look encouraging, and this year could see GM lift itself off the profits plateau of the past three years. Meantime, yesterday's results were in line with expectations, and the shares were unchanged at 24p where the yield of 6.6 per cent. is covered 2.63 times.

Dumpton land sales–listing suspended

Dumpton (Thanet) Greyhounds has contracted the sale of 7.2 acres of freehold land and buildings incorporating the greyhound racing business and open market operations for £185,000 cash.

Net proceeds will be applied to repayment of the company's borrowings, and will provide working capital to enable further progress to be made with the development land retained.

Listing of the company's shares has been temporarily suspended at the company's request pending publication of particulars of re-organisation.

Wesleyan & General

The **Wesleyan and General Assurance Society** has declared an unchanged rate of reversionary bonus for 1975 for its Ordinary Life business of £3.80 per cent. of the sum assured.

The rate for its Equity policies is being increased to £5.30 per cent. simple for 1975, against £5 per cent. previously. The bonus rate for self-employed pensions remains at £5 per cent. of the basic annuity.

The company has changed its basis of declaring terminal bonuses on maturities or death claims. The New rates will vary from 10 per cent. for policies which have been in force for ten years up to a maximum of 40 per cent. for policies in force for 30 years or more. Bonus rates for industrial life business remain unchanged.

First Scottish American pays more

Stated earnings per 25p share of **First Scottish American Trust Company** increased from 2.3p to 2.51p in the year to February 2, 1976, and the dividend is stepped up from 2.2p to 2.3p net with a final of 1.6p.

Revenue advanced from £896,182 to £756,337, after all charges including tax of £92,308 (£103,370) and imputation tax £338,022 (£290,932) cost of the Preference dividend is £29,400 (same) and the Ordinary takes £667,101 (£633,097).

Net asset value per Ordinary was 104.4p (82.1p).

Cardinal Investment

Chairman of **Cardinal Investment Trust**, Mr. R. H. Wethered, says in his annual statement that although it would be unwise to predict the outcome of the current year as far as the revenue account is concerned, present indications are that the increased dividend—up from 4.25p to 4.5p for 1975—should be covered.

As reported on February 13 pre-tax revenue for 1975 declined from £396,034 to £357,368.

Mr. Wethered points out that his forecast of income for 1975 at this time last year was unduly pessimistic. Reductions of dividends from investments were in fact few with many companies paying the maximum increases allowed and investment income increased more than enough to cover the reduction in deposit interest caused by lower liquidity and falling interest rates.

At the commencement of the year half of the company's portfolio was outside the U.K., so it is not surprising that the rise in the net asset value of the deferred shares from 95p to 179p was limited to 88 per cent., he states.

During the year the company took up its rights in the recent issue by London and Scottish Marine Oil.

Chairman's statement, Page 16

MINING NEWS

Australia still marks time

BY KENNETH MARSTON, MINING EDITOR

WHILE time ticks by in the race of world uranium producers to secure sales contracts for their "yellow cake," the Australian Government still lags in making a decision on its policy for the country's potentially big uranium mining operations. It is reported from Canberra that Federal Government officials met uranium company representatives last week and that the discussions are still continuing.

Dampening reports that the Government would soon announce that only companies with existing uranium sales contracts would be allowed to go ahead immediately with mining development, a Government spokesman said that when the National Development Minister, Mr. Doug Anthony, had decided on a course he would put the matter to the Cabinet.

It is understood that Mr. Anthony has assured Japanese buyers of Australian uranium oxide that supplies under existing contracts would be delivered, but the now out-of-date contract prices would have to be renegotiated. The Japanese are reported to have agreed to a price revision.

Meanwhile Canada's Denison Mines has lost no time in arranging contracts for its Elliot Lake uranium mines. A notable success has been the deal with Spain's Empresa Nacional del Uranio. The start of deliveries under this contract has been a major factor in the advance in Denison's 1975 earnings to a record $26.5m. (£13.2m.), or $5.80 (£2.89) per share, from $12.7m. in 1974.

GOPENG AND PENGKALEN

The chairman of the Malaysian tin producer Gopeng Consolidated, Mr. J. D. Hellings, says that the continuation of export restrictions currently imposed by the International Tin Council could lead to a curtailment in mine production and a subsequent decline in profits in the year to next September. Net earnings for 1974-75 were £713,000 compared with £887,000 in the previous year.

In the first four months of the current year, 744 tonnes of tin concentrates have been produced compared with 801 tonnes for the same period of 1974-75 and it is estimated that under normal conditions the year's total output would be in the order of the previous year's 3,378 tonnes.

Meanwhile, Mr. J. T. Chappel, chairman of the single dredge Malaysian producer Pengkalen, says that the dredge is now working in tailings and that much lower profits can be expected in the year to September than the £180,000 earned for 1974-75. The awaited State approval for the extension of the present dredge course will provide a further two years of profitable life for the dredge; otherwise its life is estimated to run until the end of this year.

NORANDA'S NEW COPPER FIND

Canada's Noranda Mines has said that diamond drill tests on its Goldstream River property in British Columbia indicate an ore deposit of about 3m. tonnes before dilution and that indicated grades of ore contained in the deposit ar ea rich 4.49 per cent. copper plus 3.24 per cent. zinc and 0.68 ounces of silver per ton.

The deposit varies from eight feet to 25 feet in thickness and between 500 and 800 feet in width. Underground examination of the orebody and completion of metallurgical testing is planned during 1976.

MINING UNDER THE OCEANS

Although to-day's exploration on and under the sea-bed mainly concerns that for oil and natural gas, in the not too distant future a sizeable percentage of the world's metal needs could come from the oceans. The search for the undersea mineral-containing manganese nodules has already been started by countries including West Germany, the U.K., the U.S., Canada, France and Japan.

Interest has been centred mainly on the Pacific Ocean at depths of 5,000-6,000 metres for the nodules which, in addition to containing around 27 per cent. manganese and 8 per cent. iron, also consist of 2½-3½ per cent. nickel, copper and cobalt.

A group of German companies, in conjunction with Canadian, American and Japanese interests has recently embarked upon a production phase for an area south-east of Hawaii. The budget for a four-year phase of research and development is from $30-$35m.

A third international conference and exhibition on maritime research—Interocean '76—is to be held in Dusseldorf from June 15 to 19, further details of which can be obtained from International Trade Fair Agencies, 10, Old Bond Street, London W1X 4EN.

MINING BRIEFS

ELECTROLYTIC ZINC—

	Four wks. ended Feb. 4 (tonnes)	Jan. 7
Risdon, Works		
Zinc	11,593	11,022
West Coast Mines		
Ore treated	46,382	28,629
Lead concentrate produced	918	556
Zinc concentrate produced	9,987	8,429
Copper concentrate produced	1,771	1,096

During the previous period of four weeks ended January 7, 1976, production at West Coast Mines was affected by reduced level of operations during the holiday period, December 20, 1975, to January 4, 1976.

NEW GUINEA GOLDFIELDS LIMITED—January: Golden Ridges, milled 2,349 tonnes ore assaying 0.0684. Fine gold produced, 480.78 ounces. Fine silver produced 426.09 ounces. Edie Creek: Fine gold produced 13.67 ounces. Fine silver produced 11.92 ounces. Sawmill: Timber produced—super feet 342,304.

HENRY CAMPBELL

Acceptances of the offer by Josias Cunningham for the 5 per cent. Preference capital of Henry Campbell and Co. amounted to 541 shares (55.5 per cent.). The offerors now hold 3,767 Preference shares (89.7 per cent.) and it is the intention of the directors to request the Stock Exchange to cancel listing of the shares.

BIDS AND DEALS

New Smurfit offer backed by Alliance

JEFFERSON SMURFIT, the Dublin-based printing and packaging group, is now offering £½m. more for the 70 per cent. of Staffordshire corrugated box manufacturers, Alliance Alders, which it does not already own in an agreed bid worth £8.6m.

The directors of Alliance Alders, together with certain other shareholders, have stated their intention to accept the offer in respect of the 8.7 per cent. of the capital they own. Smurfit is offering 49½p in cash for each 10p ordinary share and 70p in cash for each 5¼ per cent. Preference share of £1.

Subject to shareholders' approval and to the offer becoming unconditional, AA will make a 2-for-1 scrip issue, so the offer for the Ordinary will be equivalent to 16½p per share.

Ordinary holders will be entitled to retain the interim dividend already declared of 0.46475p per share together with a second interim of a further 0.46475p which will be declared for payment on the offer becoming unconditional: holders of Preference shares will be entitled to the half-yearly dividend payable on April 30.

Smurfit has given full assurances regarding the future of the employees of AA and, on the offers becoming unconditional, Mr. A. M. Meades, chairman of AA, will be invited to join the Smurfit Board.

The great part of the consideration will be met out of five to seven year term loans which Smurfit has arranged. Smurfit has been advised by Morgan Grenfell and The Investment Bank of Ireland, who will be posting offer documents shortly.

U.B. ACQUIRES 30 RESTAURANTS

United Biscuits (Holdings) group has acquired A. A. Laing (Catering) and Ross Restaurants which operate 30 restaurants in Aberdeen, Dundee, Edinburgh, Elgin, Forres, Inverness and Perth.

The acquisition, for an undisclosed sum, has been made through D. S. Crawford, which operates restaurants throughout Scotland.

LEAD INDUSTRIES

Colorificio Ceramico Faenza Spa, an 80 per cent. subsidiary of Lead Industries, is to acquire the capital of Colorificio Ceramico Doni Spa for cash.

It is proposed that the two companies will merge and operate in the business of raw material supplies to the Italian ceramic industry. value of the assets being acquired is less than 1 per cent. of the assets of Lead Industries.

STAR PAPER

Kymin Osakeyhtio-Kymmene Aktiebolag of Finland has made a proposal to acquire the outstanding 4.83 per cent. of the capital of Star Paper not already owned. The agreed terms are 22p cash for each Ordinary share.

The acquisition will be effected by a Scheme of Arrangement, which will be subject to shareholders' approval, High Court sanction and the granting of all necessary consents by the relevant U.K. authorities and Finland.

Kymin Kymmene has confirmed that it intends that Star's two mills at Blackburn and Barnsley should continue as modern full production units; also terms and conditions of employment in Star will in no way be affected.

Cavenham gives Grand Union details

Cavenham, the food group headed by Mr. Jimmy Goldsmith, has sent out the official documents relating to the recent increase in its holding in Grand Union, the U.S. supermarket chain, from 51 per cent. of the capital to 80 per cent.

Details of the reorganisation of certain of the group's retailing activities in the U.K. are also included. The changes include Cavenham's subsidiary, Allied Suppliers, taking control of the Moores-Wright chain of grocer shops through the purchase of 50 per cent. of the shares not already owned from Southland Corporation, Cavenham's partner in the deal. Cavenham is at the same time reducing its holding in another group jointly owned between Cavenham and Southland, called Birrell-McColl, which operates as newsagents, tobacconists and confectioners.

The purchase of a further 29 per cent. of Grand Union—at a price of $18 per share in 11½ per cent Sinking Fund Debentures—was aimed at increasing Cavenham's participation in the recovery in Grand Union, which largely resulted from changes instituted by Cavenham management.

The vehicle used to acquire the shares was Cavenham (USA) Incorporated, a newly formed subsidiary, and the holding of 80 per cent. of Grand Union will enable the company to consolidate profits. The effect of this change on the results to March 29, 1975, would have been to reduce pre-tax profits from £27.1m. to £25.2m. but increase earnings per share from 15.7p to 16.8p.

ICFC invests in Custom Synthetics

Industrial & Commercial Finance Corporatoan, through its Cambridge branch, has invested in case manufacturers and foam converters, Custom Synthetics, which is based at Waltham Cross, Hertfordshire, and is a leading U.K. manufacturer of executive cases.

Custom also makes sample and instrument cases, sold to industrial customers for transporting specialised equipment or for display cases.

The company is now diversifying into soft luggage and the ICFC funds are to be used to finance continued growth.

EMI buys U.S. research company

EMI, the electronics and musical group which has already received orders worth £80m. for its diagnostic brain and body scanners is moving a stage further in the medical field with a $4m. (£2m.) investment in an American company specialising in cancer treatment equipment.

The group has, in a $2m. deal, bought SHM Nuclear Corporation of California, which develops and manufactures advanced medical linear accelerators for cancer therapy, computerised radiotherapy treatment planning systems and related equipment. A further $2m. is to be invested in the venture, probably this year.

It is understood that SHM is a research and development company, with an accumulated loss from its work to date. It has started to deliver its manufactured products, though as yet in only a small way.

CAPPER-NEILL BUYS CUSTOM COILS

Capper-Neill, the pipework and process plant group, has completed negotiations for the acquisition of Custom Coils from the Receiver and Manager, for a consideration believed to be around £225,000 in cash.

Custom, based in Southampton, manufactures heat exchangers for the industrial refrigeration, air conditioning, heating and ventilating home and export markets. It was formerly a subsidiary of Charles Spreckley, the building and property company, placed in the hands of a Receiver at the beginning of February.

It is intended that Capper-Neill will allow the company to continue to operate autonomously and the present staff are being retained.

Dunford and Elliott outlook

MR. F. R. WELSH, chairman of Dunford and Elliott tells members in his annual statement that he is confident that the recent merger with Brown Bayley Steels will be successful and that what the company now requires is improved market conditions to provide opportunity.

He says that the company's potential for export sales of steel will be fully exploited during the coming months. Order levels, although still depressed, have shown a modest improvement and it is anticipated that this will continue, particularly towards the end of the year.

Action has been taken in the steel group, he explains, to reduce costs, resulting in a better operating performance, and a progressive reduction in trading losses.

The trend will accelerate as market demands permit the return of volume production and although it is not clear how soon former levels of profitability will be restored, the directors except that 1975-76 should show a marked improvement over 1974-75.

The engineering group has started the current year well and should again make a significant contribution to profits.

As reported on January 29 a pre-tax loss of £1.21m. was incurred for the year to September 27, 1975. This is not comparable with the £2.09m. profit for the previous 61 weeks, which included Brown Bayley Steels and its subsidiaries from December 18, 1973, the date of acquisition.

Net assets per 25p share were 138.6p (143.1p). Meeting Savoy Hotel, W.C., on March 24 at noon.

● comment

Dunford and Elliott's accounts provide only modest reassurance for a share price 17p below its 1975 peak at 46p. The group's bankers have apparently ... their borrowing limitation ... this, combined with ... has left Dunford with ... overdrafts of over £8m. ... of £21.1m. still compares ... tangible shareholders' fu... £14.6m.; and the chairman's ... ment provides no clue ... timescale of any ... recovery. In January ... hoped that April would ... some sort of a turning ... Yield is 7¼ per cent.

Cohen & Wil... asks for Receiver

By Rhys David

Cohen and Wilks, ... Manchester-based men's ... wear group, yesterday ann... that it had asked its b... Barclays, to appoint a Rece...

The group with a turn... around £3m. made a small... of £35,000 in the first h... 1975, but claims it has no... into major liquidity probl... a result of an earlier ... £434,500 made in 1974.

The company's move ... similar action last week ... other textile concerns, Br... Nylons and Bear Brand, ... which are now being mana... Receivers.

In a statement the co... said strenuous efforts ha... made to obtain new capi... these had proved unsucces...

Dealings in the co... shares on the Stock Exchan... halted following the appoi... of the Receiver, Mr. ... Livesey, of Coopers and Ly...

Goldsmith shuffles the pack

By Rupert Cornwall

PARIS, March 2.

GENERALE OCCIDENTALE, the French holding company of Mr. Jimmy Goldsmith's Cavenham Foods, is planning to bid for the outstanding minority in Cavenham's 58 per cent. owned subsidiary Generale Alimentaire, as a prelude to a substantial internal reorganisation of the Anglo-French food group. According to details announced here to-day by the Bourse Stockbrokers' Association and Generale Occidentale, the French company will offer one of its own shares for every two in Generale Alimentaire, a specialist food manufacturer with sales of around Frs.2bn.

On the basis of to-day's Generale Occidentale closing price of Frs.190.50, the deal values outstanding Generale Alimentaire shares at Frs.95.25 apiece, compared with the Frs.77 quoted before they were suspended last Friday.

The deal, however, will go further still. Upon completion of the takeover Generale Occidentale will transfer its entire holding in its subsidiary to Cavenham, in return for shares in the British company.

The result will be that Cavenham's financial and industrial base in France will be substantially enlarged, while Generale Occidentale is expected to boost its holding in Mr. Goldsmith's group to over 50 per cent. from the present 39 per cent. To-night's statement emphasised that the Generale Alimentaire shareholder, whose company has enjoyed mixed fortunes recently, will be offered a distinctly favourable deal. Quite apart from the relative performances of the companies in the last three years, he will become an investor in an international foods group quoted on the forward Paris market.

The moves are the latest in a series of rationalisation measures within Generale Occidentale. Not only have considerable property interests been disposed of but its Discount Bank subsidiary was sold to Banque Rothschild, and the upshot is understood to have been a big improvement in the group's cash position.

Eastern Europe borrows $5.4bn. in nine months

BY MARY CAMPBELL

NET EUROMARKET borrowing by Eastern European institutions rose from $6.6bn. to $12.00bn. in the nine months from the end of 1974 until last September, a new series of statistics issued by the Bank for International Settlements (BIS) shows. The statistics show that institutions in the USSR alone have increased their net borrowing from $74m. to $3.1bn.

Net borrowing by Brazil rose from $3.8bn. to $5.3bn. during the period and by Mexico from $3.2bn. to $4.8bn. Egypt is shown in the statistics as a net depositor, of $294m. in December, 1974 and $587m. last September.

It is intended that the new series of statistics will be published on a quarterly basis from now on.

Their value, however, is limited in a number of ways. Banks and non-banks in any country are aggregated (the figures for Britain, for example, include the Eurocurrency business of banks in London). In addition, the figures only cover borrowing and deposits with banks in the Group of Ten. This does not include major entrepot financial centres such as the Bahamas.

The information which would prove of most use to international banks would be the overall indebtedness of individual countries to all banks abroad, but excluding entrepot business transacted within the country concerned. At present the main positive value of the statistics is the evidence they show of increases or falls in countries' net borrowings. They are presented so far for four quarterly dates from end-1974 to September 1975.

Apart from those noted above, the most significant changes are as follows: Norway increased its net borrowing from banks in the group of ten countries from $500m. to $1.3bn. between the end of 1974 and end-September 1975: deposits by the Vatican rose from $90m. to $106m. and stood as high as $126m. at the end of March last year (at no time is the Vatican shown as having borrowed at all from the banks in the area); Turkey's net deposits fell from $646m. to $160m.; net borrowing by South Africa is up from $2.2bn. to $2.9bn.; by Zaire from $219m. to $399m.; and by Indonesia from $210m. to $523m.

AEG explains another loss

BY NICHOLAS COLCHESTER

BONN, March 2.

AEG-Telefunken, the major West German electrical company, confirms in its latest letter to shareholders that it will produce another loss for last year after a deficit of DM684m. in 1974.

The management does not quantify the loss expected for 1975 but explains that it was due to continued problems in the manufacture of consumer goods and mass-produced technical equipment.

Turnover of AEG's international group as a whole was up by 6 per cent. to DM12.7bn., but this included some new consolidation into the parent company's accounts without which the overall turnover rise would have been only 3 per cent. The company's growth came predominantly overseas, where turnover rose by 18 per cent. to more than DM5.2bn.

Within West Germany AEG had a better second half to the year with a turnover increase for that period of 5 per cent. This was not, however, enough to compensate for a drop of 8 per cent. in the domestic turnover in the first half of the year. The result was that AEG's home turnover fell in 1975 by 1 per cent. from the 1974 figure of DM7.8bn.

The same tendency towards overseas growth was shown in AEG's order intake for the year. This totalled DM13.7bn. and was thus over the figure for world sales, but while domestic orders flowed at a rate unchanged from that of 1974, orders abroad increased by 14 per cent. In the capital goods sector AEG's order book is now equivalent to 13 months' employment.

At the end of last year AEG-Telefunken employed 162,000 people world-wide, 8,400 or 5 per cent. less than at the end of the previous year. The figures implied a shift in the emphasis of AEG's employment abroad, for within West Germany AEG shed 11,300 workers last year or 8 per cent. of its workforce. The company also increased its foreign investment last year from DM74m. to DM104m., while its investment at home was reduced somewhat from DM365m. to DM333m.

Nixdorf sees static profit

By Adrian Dicks

NIXDORF, the leading West German computer maker, has announced an increase in turnover of 6.2 per cent. during 1975, in spite of the recessionary difficulties in many of its markets. Turnover last year was DM617m. compared to DM581m. in 1974. In a statement over the weekend, Nixdorf also stated that profits, at a provisional DM20.6m., would probably show little change from the previous year.

As a result of concentration and rationalisation measures, the company reduced total employment by 9 per cent. to 7,300 in 1975. But is now once again taking on service and marketing staff.

More Swedish steel mill speculation

BY WILLIAM DULLFORCE

STOCKHOLM, March 2.

BOARD CHAIRMAN Erik Grafstroem to-day reassured workers at the state-owned NJA steel mill that the Government intends to go ahead with its new 4m.-ton steel works. The resignation of NJA managing director John Edstroem, reported in yesterday's Financial Times, has led to speculation that the Government might abandon the whole project.

Mr. Grafstroem, who will act as full-time executive chairman, until the appointment of a successor to Mr. Edstroem, added, however, that the project would be "re-aligned towards the Swedish market" and there would be "some modifications in the size of the various stages."

The chairman did not elaborate but was understood to mean that the original concept of a 4m.-ton plant producing semi-fabrications for export would now be changed to allow for the introduction of private companies investing in one or two rolling mills in Sweden, which would take the steel works output.

In addition it has been suggested that the project could be divided into two stages, in the first of which only one blast furnace would be built instead of two, only 2m. tons would be produced a year and costs would be reduced to Kr.8-9bn. (about £1bn.). The Government is believed to have considered submitting this truncated proposal to Parliament in April, but NJA project managers complained that a smaller production would entail higher unit costs and be uneconomic.

Mr. Per Skoeld, managing director of Statsfoeretag, the state holding company and parent to NJA, was also apparently referring to the reduced plan in a newspaper interview to-day, when he remarked that a "quite new combination" was under consideration and the project had to be judged without preconceived notions.

Another NJA director, Mr. Hans Norman, who was in charge of the building components department, announced his resignation to-day.

Emphasis on equity at PKbank

BY WILLIAM DULLFORCE

STOCKHOLM, March 2.

MR. BERTIL DANIELSSON, managing director of Sweden's State-owned commercial bank, PKbank, reiterates in his final report for 1975 his private bank colleagues' emphasis on the need for greater equity capital. The structural changes being made in PBbank, formed in July, 1974, from the merger of the State-owned Kreditbank and the Post Office Bank, give extra weight to Mr. Danielsson's claim on new capital resources.

PKbank reports pre-tax earnings of Kr.328m. (£37.2m.) on an income of Kr.884m. (£100m.) and a balance sheet total of Kr.40bn. (£4.5bn.). As 1975 was the merged bank's first full year of operations no historical comparisons are possible, but Mr. Danielsson himself points out that the bank's profitability is considerably lower than that of the private commercial banks. The Board proposes to pay its owner, the State, an 8 per cent. dividend on the old share capital of Kr.317m.

Under Government encouragement PKbank increased its lending to industry and commerce in 1975, but the banking law calls for greater capital cover for such loans than for building and local authority credits and there has been corresponding pressure on the bank's capital resources.

Before the merger the share capital was doubled to Kr.317m. but the surplus then achieved was exhausted after 12 months. During the second half of last year the bank issued two unsecured debentures totalling Kr.175m. and obtained a new equity injection from the State in December, again doubling the share capital to Kr.634m. Mr. Danielsson remarks that the new share capital and the opportunity it opens for new bond issues should suffice to meet capital requirements for the immediate future but the bank remains undercapitalised compared with the private banks.

PKbank shows a return on equity of 14.6 per cent. compared with a 1974 average of 19 per cent. for the other Swedish commercial banks, which improved profitability further last year. The State bank's weakness stems from the low-interest bonds it inherited from the post office bank, a smaller ratio of industrial and commercial loans and a lower level of foreign business than that of the private banks.

Bank policy, however, is to increase its industrial and commercial involvement, to curb the cost of unprofitable operations it has inherited and to restructure its pricing system. Since last autumn, for instance, it has been charging employers for payments into employees' accounts. PKbank is responsible for about half the so-called salary accounts in Sweden.

Mr. Danielsson also proposes to increase the number of branch offices, which at the moment are only one-third as numerous as those of the two major private banks.

Pkbank deposits last year grew by 12.5 per cent. to Kr.34bn., improving its share of total commercial bank deposits by 0.2 per cent. to 21.8 per cent. Lending was up by 9.7 per cent. to Kr.21bn. The share of industrial and commercial credits in the bank's lending rose from 17.8 per cent. to 23.4 per cent., a considerably faster rate of growth than that achieved by the private commercial banks.

Sachs sale profits tax free in Switzerland

By John Wicks

ZURICH, March 2.

THE SACHS Brothers will pay no tax on profits from the sale of their controlling interest in the Fichtel and Sachs concern, to GKN, according to a Swiss Government statement in reply to a parliamentary question.

The brothers, who have been domiciled in Switzerland since their childhood, pay regular taxes on their income and assets to the confederation, the canton and the commune, says the statement. There is no liability to federal taxation on capital profits on movable private property, so any profits from the stock transaction would be subject only to cantonal tax laws. In fact, as was stated to-day by a finance ministry spokesman, a law incorporating taxation of this kind will not come into force in Cantons Grisons, where the brothers live, until the start of next year.

The Swiss government also stresses that the 1971 Swiss-German double-taxation agreement envisages raising liability to German tax laws in cases where the person or persons in question are domiciled in Switzerland, as with the Sachs brothers. The exemption could not apply if taxes are paid in Switzerland on a lump-sum rather than a regular basis or if the taxpayer has been resident in the Federal Republic within five years before the transaction. Since these exceptions, which the federal council says were introduced at the German wish into the double-taxation agreement to counter tax-refugee problems, are not seen by the Swiss as applying to the brothers, no taxation is payable in Germany, either.

Rhone Poulenc not seeking State aid

PARIS, March 2.

RHONE POULENC president Renaud Gillet said he does not intend to seek state financial aid for the group when he visits French President Valery Giscard d'Estaing later this week.

In an interview with the financial daily Les Echos, Gillet said with the exception of the group's textile sector, he continues to view the start of 1976 with reasonable but measured optimism.

The group recorded an estimated 1975 consolidated loss of Frs.800m. compared with a profit of Frs.1bn. in 1974, while turnover last year was estimated at Frs.17.7bn. (Frs.20.35bn.).

Referring to RP's textile interests, Gillet said it is not a question of withdrawing from this area of activity, but of developing those sectors where the European textile industry can still manage to expand.

Last week Rhone Poulenc Textile said it will have to dismiss workers in order to lay the basis for an improvement in and the development of its synthetic and rayon fibre sectors.

The group has no intention of getting rid of important areas of activity, and there is no question of selling its 51 per cent. stake in Institut Merieux.

However, this approach does not exclude the selling of certain peripheral interests, he added.

BHP asks for another rise

BY JAMES FORTH

SYDNEY, March 2.

BROKEN HILL Proprietary Company, Australia's largest company and only steel producer, is to approach the Prices Justification Tribunal for a further increase in the domestic price of steel. BHP is expected to ask for an increase of 8 to 9 per cent.

It is seeking the increase because of a recent 6.4 per cent. lift in national wage rates. BHP was granted a 10.5 per cent. price increase for steel last August and a further 8.75 per cent. in October. The increases did not take into account the previous national wage increase of 3½ per cent. for the September quarter.

Announcing that it was seeking the increase, BHP said that the latest national wage decision would lift its costs by $A47m. In the past five months its annual wages bill has risen almost $A72m. Domestic steel sales for the first half are estimated to have been running at an annual rate of about $A857m. In terms of volume however steel sales fell 15 per cent. to 2.2m. tonnes.

BHP recently announced a fall in group earnings for the November half from $A39.8m. to $A31m., including a loss of $A26.7m. from steel operations.

BHP said in its complete half yearly statement that two blast furnaces remained off-line during the period and another furnace was taken off during November. In view of the order position at least two of these units were expected to remain out of commission in the current half.

Steel is not the only major area of operations where BHP is unhappy with its returns. The group called on the Government to reconsider domestic crude oil pricing before the review in 1978 proposed by the previous government.

Shaheen withdraws one suit

TOKYO, March 2.

CANADA's Newfoundland Refining Co. (NRC) has withdrawn a suit against Ataka and Co. and Sumitomo Bank, Reuter reports but is still pressing its legal action against Ataka America Inc. and Atlantic Trading Co., two U.S. incorporated subsidiaries of Ataka, an Ataka spokesman said.

He said he was informed from the U.S. that the move was taken because the suit would not apply to non-U.S. incorporated concerns.

Meanwhile, according to AP-DJ in Ottawa, the Federal Government has decided not to allow Newfoundland Refining to continue exporting petroleum products from its refinery at Come-By-Chance until it repays money owed under the Oil Import Compensation Programme. Under the programme crude imported for the Canadian market is subsidised to a level about a quarter below world market prices. Come-By-Chance works for the export market.

The National Energy Board recommended that a condition be attached to the company's export permits which would prevent exports while money is owing under the programme. This condition was made effective by a recent Cabinet order.

The Energy Supplies Allocation Board is going over its books to see just how much Newfoundland Refining owes it. The Board is responsible for making payments under Federal legislation providing a subsidy of $5 a barrel to consumers in Eastern Canada to shelter them against the high cost of imported crude.

Newfoundland Refining, a subsidiary of Shaheen Natural Resources of New York, obtains supplies of crude oil from the Middle East through British Petroleum and is eligible for compensation under the Federal Import Subsidy Programme.

Peter Dumlay adds from Tokyo: Sanko Steamship has emerged as another large creditor of Newfoundland Refining. Its claim arises from long-term charters of three very large crude carriers, and may mean another $8.5m. of unpaid debts on top of the $300m.-plus alleged in the bankruptcy proceedings.

Kemanord stays on target

BY WILLIAM DULLFORCE

STOCKHOLM, March 2.

PRE-TAX earnings for Kemanord, the Swedish chemicals group, dropped from Kr.191m. in 1974 to Kr.153m. (£17.3m.) last year. But Kemanord reached the profitability target set at the beginning of the year and also inched ahead of the half-way forecast.

If stock profits, down from Kr.45m. in 1974 to Kr.6m., are excluded, earnings come out at almost exactly the same as in 1974. Sales rose by nine per cent. to Kr.1.57bn. (£178m.) with about half the growth coming from companies acquired during the year.

Earnings per share, excluding stock profits, have however dropped from about Kr.50 to Kr.30, according to the preliminary report, following an increase in share capital last year. The Board proposes to pay a dividend of Kr.9 per Ordinary share and Kr.10 per new Preference share compared with Kr.10 on the Ordinary shares for 1974.

Mr. Ove Sundberg, the managing-director, said in June that the company needed to maintain a return on equity of 20 per cent. before tax, in order to compete with European and American chemical manufacturers. The preliminary report offers no details but credits the management's rationalisation and development measures, as well as the broadening of the company's product range, with maintaining profitability.

Liquidity improved over the year, reaching Kr.261m. at the end of the year compared with Kr.151m. at the end of 1974 and Kr.212m. at the half-way mark. The ratio of equity to total capital employed also improved from 39 per cent. to 41 per cent. Investments were up from Kr.115m. to Kr.134m.

Helaba calls for renewed financial help

FRANKFURT, March 2.

HESSISCHE Landebank-Girozentrale (Helaba) has informed its guarantors that it will need DM200m. to cover write-offs exceeding the bank's profits, Herr Heinz Sippel, the chairman, has stated.

Guarantors of Helaba are the State of Hesse and the Hessian savings banks organisation. Each holds a 50 per cent. stake in Helaba.

Herr Sippel said that the total write-offs of the bank for 1975 will be between DM400m. and DM500m. He added, however, that except for the DM200m. Helaba will be able to cover the write-offs through profits of the bank and through transfers from reserves, previously accumulated to cover write-offs.

The total volume of write-offs to cover losses, as well as potential losses and risks in the credit and participation sectors of the bank, have risen to more than DM2.2bn. between 1973 and 1975.

Previously, the guarantors supplied Helaba with balancing aid totalling some DM600m. in cash and DM850m. in guarantees.

Herr Sippel said the additional write-offs are attributable to latent risks that developed during 1975, including the collapse of the Gloeggler textile group. Direct and indirect costs at Helaba because of the reorganisation plan to save the most important companies in the Gloeggler group totalled close to DM100m.

A further reason for the renewed large write-offs is the fact that the bank had to re-evaluate its property involvement. When calculating write-offs for 1974, the bank based its estimations on the expectation that its property portfolio could be divested within two years.

Although the property market has shown some recovery since late 1975, interest in the larger tranches of the portfolio has shown little improvement.

A more realistic estimate for the period of time needed to sell the portfolio is now reckoned to be closer to four years for individual buildings, Herr Sippel stated. The additional time, and ensuing costs, are responsible for the renewed need to provide for large write-offs.

Herr Sippel stressed, however, that the write-offs represent the aftermath of past mistakes made by the bank and added that "no new mistakes have been made." According to preliminary figures, the balance-sheet total at Helaba has risen to DM39.2bn. in 1975 from DM36.9bn. in 1974.

SELECTED EURODOLLAR BOND PRICES

MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Aquitaine 10pc 1986	103	104
Ashland 8pc 1987	94½	95½
Australian 9pc 1987	93	94
Borregaard 8½pc 1990	96½	97½
Broken Hill 10pc 1990	104½	105½
Carrier 8pc 1987	93	94
Conoco 9pc 1986	99	100
Consd. Foods 7½pc 1991	91	92
Cutler Hammer 8pc 1987	94½	95½
EIB 9pc 1985	103½	104½
ERAP 9½pc 1985	101½	104½
Esso 8pc 1986 Nov.	100½	101½
General Cable 8½pc 1987	90½	91½
General Motors 8½pc 1986	103½	104½
Grangex 9½pc 1985	100½	101½
GTE 9pc 1986	99½	100½
New Zealand 9½pc 1992	[illegible]	[illegible]
Pacific Light 9pc 1986	94½	95½
Prov. of Quebec 7½pc 1980	91	92
Quebec Hydro 8½pc 1989	94½	95½
Queensland 8½pc 1987	93½	94½
Scanraff 8½pc 1988	99	100
Shell 8pc 1988	100	101
Stand. Oil (Ind.) 8½pc 1988	101	102
Tenneco 7½pc 1987	90	91
Transocean 8pc 1984	99½	100½
Utah 8pc 1987	95	96
Volvo 9½pc 1985	100	101
NOTES		
Air France 9½pc 1982	102½	103½
Ardal 9pc 1980	101½	104½
Aust. Ind. Dev. 10½pc 1982	104	105
Barclays 9½pc 1982	101	102
Cie. Nat. du Rhone 10pc '82	104	105
Du Pont 7½pc 1978	101	102
Esso 7½pc 1978	101	102
General Motors 8pc 1979	100	101
Montreal 9½pc 1982	102	103
Nippon Steel 9½pc 1980	102	103
Norway 9pc 1980	103½	104½
Skand. Enskilda 9½pc 1981	103½	104½

Source, White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	85	86
Ashland 5pc 1988	81	83
Beatrice Foods 4¼pc 1992	94	96
Beatrice Foods 4½pc 1993	100	102
Borden 5pc 1992	95	97
Broadway Hale 4½pc 1987	76	78
Canon Camera 7¼pc 1990	115	117
Carnation 4pc 1987	81	83
Chevron 5pc 1988	100	102
Dart 4½pc 1987	89	91
Eastman Kodak 4½pc 1988	113½	115½
Economic Labs 4½pc 1987	81	83
Fed. Dept. Stores 4½pc '85	135	137
Firestone 5pc 1988	84½	86½
Ford 6pc 1986	86	88
Ford 5pc 1988	86	88
General Electric 4¼pc 1987	87	89
Gillette 4¼pc 1987	81	83
Gould 5pc 1987	95	99
Gulf and Western 5pc 1988	104	106
Harris 5pc 1992	84	86
Honeywell 6pc 1986	87	89
ITT 4½pc 1987	75	77
Komatsu 7½pc 1990	104½	106
J. Ray McDermott 4¾pc '87	126	128
Mitsubishi Elec. 7¼pc 1991	104½	106
Mitsui 7¼pc 1990	105½	107
J. P. Morgan 4¼pc 1987	109	111
Nabisco 5¼pc 1988	92	94
Owens Illinois 4½pc 1987	97	99
J. C. Penney 4¼pc 1987	80	82
Pioneer 6pc 1990	215	224
Reynolds Metals 5pc 1988	84½	86½
Revlon 4½pc 1987	100	102
Sperry Rand 4¼pc 1987	99	101
Squibb 4¼pc 1987	81	83
Texaco 4¾pc 1988	76	78
Toshiba 6½pc 1990	[illegible]	103½
Union Carbide 4½pc 1982	129	131
Warner Lambert 4½pc 1987	93	95
Warner Lambert 4½pc 1988	83	85
Xerox 5pc 1988	77	79

Source, Kidder Peabody Securities.

BCI creditors approve compensation proposals

FRANKFURT, March 2.

THE CREDITORS of Banque de Credit Internationale (BCI), of Geneva, which collapsed last year, have approved the compensation proposals made at a creditors meeting in Geneva.

Small creditors will apparently be compensated in full up to the amount of Sw Fr.5,000, while large creditors will receive only 17 per cent. of their demands against the bank. Final approval of the plan by the Geneva authorities is expected to be announced by the middle of March.

Several of the large BCI creditors have filed damage suits against Hessische Landesbank-Girozentrale (Helaba), which at one time held a 36.4 per cent. share in the capital of BCI, informed sources stated. Helaba returned its stake in the bank to the main stock holder, Tibor Rosenbaum, late in 1974. A communique of Helaba stated at that time that it was returning the stake to Rosenbaum "because the past actions of Rosenbaum didn't correspond to usual practices in the international banking business."

According to informed banking circles, the major creditors contend that Helaba could very well be made financially responsible for some of the losses. They add that the creditors are of the opinion that Helaba had access to BCI's books and should thus have been in the position to determine the bad risks of BCI

FINANCIAL TIMES REPORT
Wednesday March 3 1976

ZEEBRUGGE

Although only small by the standards of the major European ports, Zeebrugge is rapidly growing in importance, particularly for the shipment of container goods and petroleum products. An ambitious programme for expansion is now under way.

A fast expanding port complex

WEST FLANDERS missed out on the post-war economic boom just as it missed out on every boom since the 16th century. The great investment which made the Brussels-Antwerp corridor one of the richest corners of Europe and made Antwerp the world's third largest port left the flat West Flanders polders practically untouched by industry.

Yet in this corner was Belgium's oldest industry and there lies its richest heritage. For the city of Bruges or Brugge, which is the chief place of the region and the emotional centre of Flemish nationalism, was one of the great ports of the later Middle Ages and the soil on which flowered the rich and diverse culture of the latter days of the Court of Burgundy.

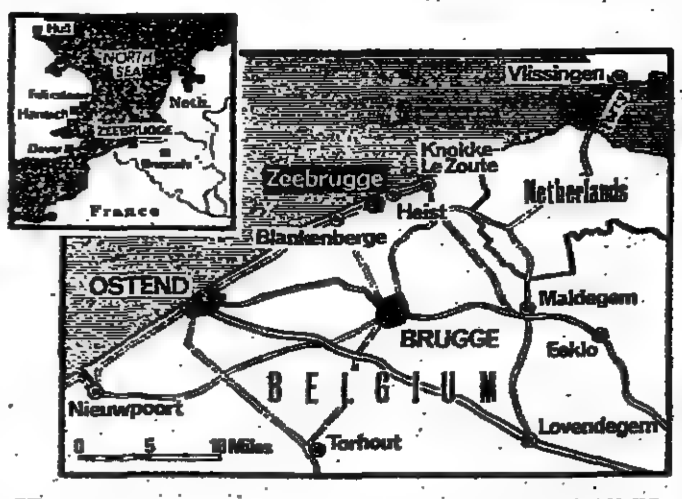
By the end of the 15th century the Swyn, Brugge's sea access, had silted up. In the bitter religious wars of the 16th century in which the Dutch sought to free themselves from Spanish rule, West Flanders suffered despoliation. At the end of that war some of what remained of intellectual talent in Flanders preferred the climate of the new Protestant State to the north, while the Dutch pulled to them also the threads of the new Atlantic trade routes.

The story of Zeebrugge (Brugge by the sea) is really the story of Brugge's fight to open again its umbilical cord to the sea. Zeebrugge is part of Brugge administratively and is linked to it by a canal dug at the turn of the century. This permitted construction of an inner port near the old city and an outer port in what was previously a fishing village, protected by a mole which earned fame when British forces raided the town in 1918 to block the harbour and bottle up German submarines based in the port.

The destruction during the first world war was followed by the depression and the destruction of the second war. It was the early 1950s before Brugge could look again to its renaissance through Zeebrugge.

Two important events—one sure, one expected—could put the seal on this rennaissance. In December the board of directors of the member lines of the South and South-East African Conference chose Zeebrugge over Antwerp as the Belgian port of call for their future incoming and outgoing container traffic. From September, 1977 the port will be served by a fleet of ten new cellular container vessels, averaging a call every five days.

The second event is awaiting Government blessing. The Belgian utility Distrigaz is planning to import Algerian liquefied natural gas to supply the country when supplies from the Dutch fields are no longer available. If the respective Governments ratify this deal imports are expected to be done through Zeebrugge, which will build an LNG terminal which is already attracting the interest of other potential users, notably Ruhrgas of Germany.



This report was written by DAVID CURRY

These two events will put the seal on two of Zeebrugge' functions: its container facilities and its raw materials handling. The third characteristic must be familiar to thousands of British trippers—the rapid expansion of Zeebrugge as one of the leading links between Britain and the Continent.

Existing

The existing complex consists of three ports. The outer port of Zeebrugge is tucked in behind the famous mole. It is tidal with an access channel maintained at 9.3m. (nearly 14m. at high time high tide), which enables it to accept ships up to 80,000 tons, and tankers of 260,000 tons can enter partly loaded to 135,000 tons. The main elements are the ocean container terminal with storage for 5,000 boxes; the oil discharge point: roll-on roll-off terminals: a train ferry berth; and the short-sea crossing container terminal.

The inner port, reached through a 64-foot wide lock giving a 29 foot water depth, takes ships up to 10,000 tons fully laden and consists of three berthing docks. There is also a tank farm for crude storage and a private ro-ro terminal. There are some 130 acres of industrial development around this dock.

The inner port is connected with the old city of Brugge by a canal which accepts ships up to 6,000 tons, giving access to three docks with a quay length of slightly more than one mile. This is connected with the Ostend-Ghent canal, which takes barge traffic. Quay depth is 26 feet and there is an extensive industrial area around the harbour. The canal linking the two ports—some six miles long and 28 feet deep—has about a third of a mile of quays equipped with lifting facilities between four and ten tons.

Through this complex last year passed 7,452 vessels of 23.55m. net tonnage, handling 12.1 tons of cargo. This was some 13.8 per cent. below the 1974 level due to a 2m. decline (to 5.1m. tons) in oil imports and a lower level of exports. Zeebrugge handled some 1.17m. passengers—a third more than the previous year—and 465,000 vehicles, representing almost a 20 per cent. increase.

Re-examining the port according to function, the main elements of Zeebrugge in the cross-Channel traffic are:

- British Rail train ferry to Harwich—two or three sailings daily.
- Townsend Thoresen car ferries and transport ferry service (European Ferries Group) combined freight and passenger service to Dover and Felixstowe. The Dover service has some 2,500 sailings a year, carries around 1.5m. tons of freight, some 900,000 passengers and around 300,000 cars and lorries. The Felixstowe service is of more recent vintage (1973), with the three daily sailings carrying annually some 350,000 tons of freight and around 200,000 passengers. The ships use the ro-ro terminal in the outer port.
- North Sea Ferries freight and passenger service, one service a day, to Hull, based on a privately owned terminal in the inner port of Zeebrugge.
- Cross-Channel container service started in March, 1968, and now carries more than 1m. tons of cargo in some 85,000 boxes a year. About 90 per cent. of the containers are transit traffic through Belgium. Last year some 50,000 of these containers were Ford inter-company shipments and Ford ships some 90 per cent. of its cross-Channel containers through Zeebrugge. The short sea container handling facilities permit the boxes to be unloaded straight on to the railway waggons which avoids stacking. Sets of wagons can be shunted over four tracks under the transporter cranes. In 1974 European unit routes started a three-times a week container run to Tilbury.

The short sea container terminal is able to accommodate vessels of up to 20 feet draft. Both the short-sea and ocean terminals are operated by Société Belgo-Anglaise des Ferry-Boats, in which Belgian Railways is major shareholder.

Zeebrugge's career as a deep sea container port was launched with the docking of the Moreton Bay in the new Ocean Container Terminal (OCZ) in June, 1971. The main consortia using the terminal are Australia-Europe Container Service and Associated Container Transportation/Australian National Lines, both serving the Australasia-Europe route. Johnson Scanstar lines uses Zeebrugge for its Europe-U.S.-Pacific coast service, while coastal feeder services, while coastal feeder services link the port with Le Havre, Rotterdam, Bremerhaven, Hamburg and other harbours.

An important part of the traffic is Australian and New Zealand wool, but the designation of Zeebrugge for the South African run represents the port's breakthrough into the top division of container ports and makes the port authorities confident that when South American and possibly Indian Ocean traffic is containerised Zeebrugge will be the natural Belgian choice. Its advantage is that it can take third generation container vessels without limitation of draft at any state of the tide straight in from the open sea. Direct transfer of containers is possible on to the four railway tracks and road under the crane.

Texaco

Zeebrugge as an oil port is of 1968 vintage to all intents and purposes. In that year the crude oil traffic started for the Texaco refinery in Ghent. Off-loaded at Zeebrugge the crude was piped to the refinery. Supertankers can dock in the port with individual cargoes up to 135,000 tons, having partly discharged (possibly at Rotterdam or Pembroke). This is the only big refinery served by the port, with some 7m. tons of crude a year (pre-recession), representing around 50 per cent. of the total maritime freight and some 20 per cent. of Belgian crude imports. If the natural gas project holds good this will add a new dimension to this aspect of Zeebrugge's activities.

Development plans

THE GROWTH of Zeebrugge as a port depends on expansion. The present facilities will be fully in use by the end of the decade and the authority's ambitions to develop container traffic and energy imports both depend on its ability to provide additional facilities.

In addition, the nature of the port's current traffic makes it rather vulnerable to the unexpected. For example, the crude oil imports are designed for a single refinery, while traffic with the U.K. probably occupies a disproportionate share of the short-sea activity. Within that traffic the container service itself is heavily dependent on the custom of a single concern—Ford—and decisions taken by that concern about where to concentrate its investment in its European operation have an immediate implication for Zeebrugge.

The physical process of expansion is also subject to certain constraints, in particular the conservation of the Scheldt estuary and the tourist facilities in the surrounding area. The allocation of land for industrial use is being carefully regulated, and as a general rule transit operations directly serving the port will account for around half of new land made available for development, while the rest will go already to companies looking to the port for imports of raw materials or semi-finished articles.

The decision to expand the port was taken in 1970 when a B.Frs.16bn. (£200m.) programme (by now almost certainly getting towards B.Frs. 20bn.) to be put into operation over eight years was adopted. The elements of this scheme are:

1. The deepening of the access channel to allow access to 120,000 d.w.t fully laden vessels. This channel to be protected by two submerged breakwaters.

2. The construction of a new large sea-lock east of the existing port to give 125,000 tonners entry to a new inner dock.

3. Building two docks on former farmland surrounded by around 3,200 acres of land for development. The docks will be linked with the canal. The docks themselves will have quay lengths of 2 and 3km. respectively.

4. The widening of the canal to some 820 feet for almost half its length and by a smaller amount higher up.

5. On both sides of the access channel to the new lock the construction of some 1,400 metres of deep-water quays.

Berthing

In addition the port authorities are to build additional ro-ro facilities between the western peninsula and the short sea terminal in the outer port to provide berthing for two vessels of around 275 feet length. U.K. traffic through the port is expected to vary between 9.7 and 14.7m. tons by 1985, of which ro-ro traffic will be 4.8-7.4m. tons and container traffic 2.4-3.7m. tons.

Progress on the new inner port has not been uninterrupted. In particular the new sea lock has caused considerable problems. To build the lock it was necessary to drain water to some 25 metres from the sub-soil, which in this area is very peaty. The contraction of the peat caused damage to houses in the area. Work was stopped while the Government and the contractor argued about who was to blame. The issue finally went to court and a new working method was agreed. The delay cost some three years, and the completion date for the lock is now around mid-1980, by when the new complex of docks should be ready.

These projects are under way. The next phase depends fairly heavily on the Distrigaz decision. If the Algerian deal is confirmed and Zeebrugge is nominated as the entry port—

CONTINUED ON NEXT PAGE

هكذا من الأهل

Container challenge

AMONG THE ports of the North Sea, Zeebrugge is very much the new arrival. If Rotterdam is the empress and Antwerp the Queen, Zeebrugge is still very *much the lady in waiting. But* the lady is ambitious.

Mr. F. Traen, Alderman of the city of Brugge and President of the Port Authority puts it like this: "We aim to be Belgium's balcony on the North Sea for container traffic. We need the facilities to be able to receive any sort of container ship. Third generation container vessels have problems with Antwerp. Not only are the vessels rather long to negotiate the Scheldt but the problem with Antwerp is that the Dutch hold the key. Antwerp's fate is not in its own hands."

The President's second main hope concerns cross-Channel traffic: "Traffic between the U.K. and the Continent will double between 1975 and 1980 and it is quite possible that the increase will be in favour of the Belgian coast if the facilities are ready. We are well placed at Zeebrugge because we are not surrounded by urban development which makes our manoeuvre difficult. If it does not come here the traffic will probably go to the Dutch ports."

Energy

It is the first of Mr. Traen's hopes which is the more interesting, though he would *certainly sum up his thoughts* as indicating a significant diversification of facilities at Zeebrugge and the development of special traffic particularly in raw *materials and energy. For* although the port's glossy literature carefully refers to itself as a "complement" to Antwerp, an essential key to understanding the urgency of the development at Zeebrugge is the belief that Antwerp is living on borrowed time as a container port and is to some extent already becoming a feeder port for Rotterdam.

The thesis that the development of Zeebrugge is essential *to maintain Belgian interest in* container development hinges largely on the introduction of "third generation" container vessels. Antwerp is at the head *of some 60 kilometres of fairly* tortuous river of which both banks are in Dutch territory. The average time for a vessel from the North Sea A1 Buoy to docking in Antwerp is 45 *minutes. With the big new* container vessels costing B.Frs.1-2m. a day, hours clearly count.

Furthermore, the vessels going into Antwerp require a sea pilot as far as Flushing, a river pilot to the docks and a docks pilot to berth. Zeebrugge requires a single pilot into the berth from A1.

The charges are significantly lighter at Zeebrugge. The Dutch language newspaper de Financieel *Ekonomische Tijd worked* on the relative costs on the basis of a 663 foot long vessel with 31.16 foot draft and 12,000 net tonnage containing *300 containers of 4,500 tons* making 24 calls a year. Its calculations are in the table on the right.

The Scheldt, of course, is a Dutch river and making Antwerp accessible for bigger vessels and increasing capacity depends on improving channels in the river and cutting new canals. *This involves bi-lateral Dutch-Belgian negotiations* and while the Dutch do not oppose in principle freeing Antwerp from some of its constrictions they have a very strong interest in placing some controls on the use of the rivers which flow from Belgium into the Flemish area. Antwerp, then, is a diplomatic, not simply a technical problem, and it is that which is a strongly inhibiting factor.

Mantle

This is not to suggest that Zeebrugge is inevitably going to inherit the mantle of Belgium's premier port from Antwerp. While the long term odds in container traffic certainly favour Zeebrugge and the latter's position as offering direct access from deep water is clearly a strong plus, Antwerp disposes of a network of services far more intensive than those the very young port of Zeebrugge can offer. In particular its waterway links with the hinterland — Zeebrugge's weakest *aspect—are comprehensive.* In addition, post-war investment in Flanders was very strongly geared to the area which has Antwerp as its natural focus whereas Zeebrugge suffers from not having a developed hinterland behind it.

A further factor favouring Antwerp is the small-scale nature of much of Belgian industry. A small company sending less than a container load to widely separated destina*tions will almost invariably look* to Antwerp since the diversity of that port's traffic enables it to offer services to almost any destination.

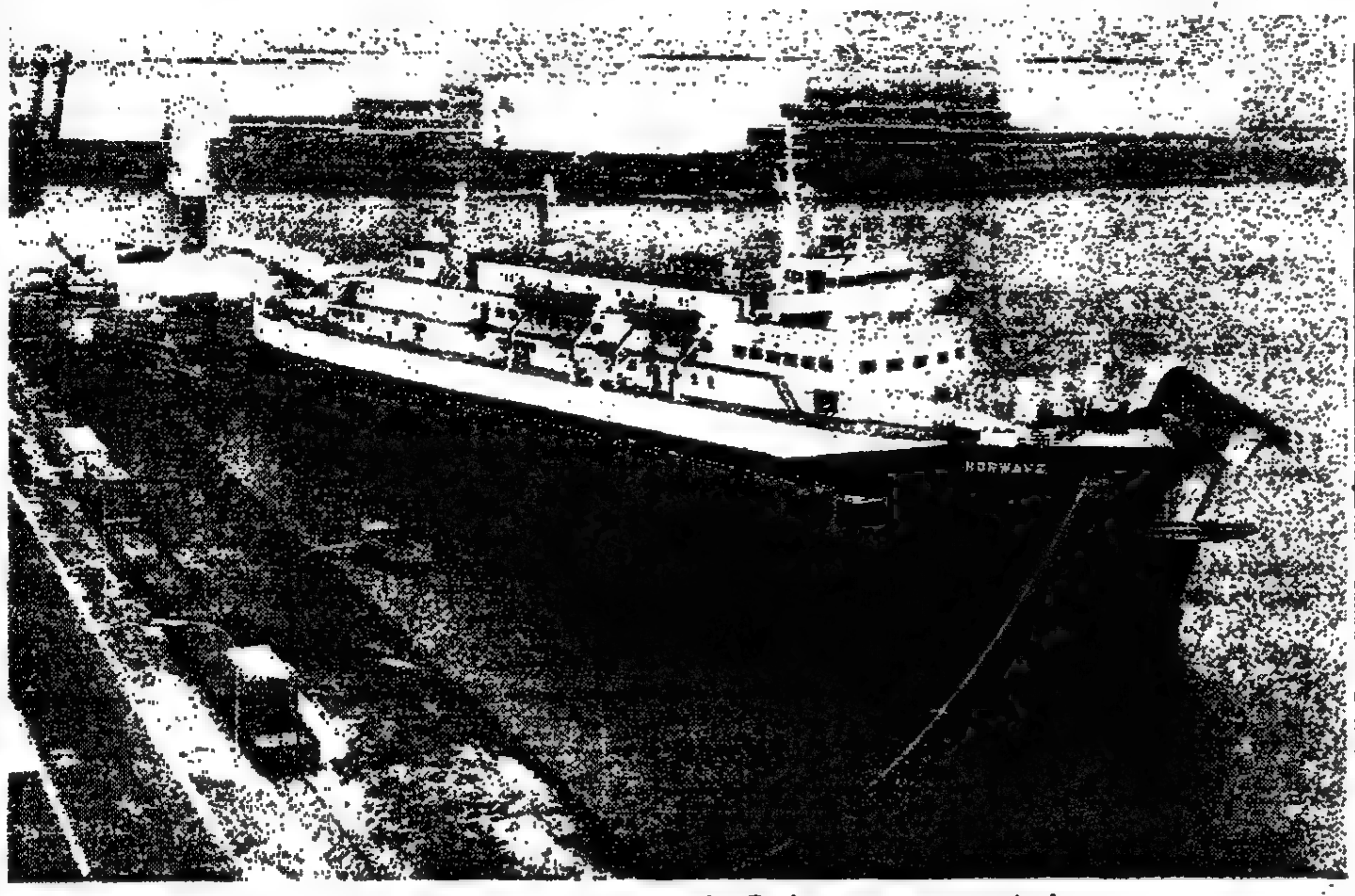
The competition, of course, is not simply with Antwerp. More local competitors are the Dutch Flushing along the coast and the French channel ports. Zeebrugge reckons that the cumulation of small areas of advantage will tell in its favour.

Whether these ambitions come true depends in the last resort on the Government which *controls the port authority and* which is footing the bill for the extensions now underway and envisaged later. Unlike Antwerp and Ghent, which are managed by municipal authorities, the daily management of the Zeebrugge-Brugge complex is handled by the Maatschappij van de Brugge Zeevaartinrichtingen NV (mercifully abbreviated to MBZ). The MBZ hold until 1997 the concessions for levying and collection of all harbour dues and expects to undertake the management of the new port areas as they become ready for exploitation.

Zeebrugge's geography is a *strong help.* West Flanders has lagged behind the rest of Dutch-speaking Belgium in development and the expansion of the port is an important part in the *campaign to catch up.* In addition, the port's position as Belgium's only coastal deep-water harbour (Ostend apart, which is basically cross-Channel *ferry work) means that its future* is not merely of Flemish interest but vital to Belgian interests. Its strategic political importance geared to the advantages of geography give its ambitions the ring of confidence.

PORT CHARGES, B. Frs.

ZEEBRUGGE	
Harbour Duties Regular Line First Year	70,740
Regular Line Next Year	58,530
Partial Load (Cheapest Tariff)	42,300
Towage	59,532
Pilotage	30,672
Boatmen	4,620
Total Per Call	137,124
ANTWERP	
Duties Regular Line	106,500
Towage River	105,200
Towage Docks	124,400
Pilots Sea and River	100,260
Docks Pilot	44,980
Total Per Call	481,340


North Sea Ferries' Norwave at the Zeebrugge ro-ro terminal.

Development

CONTINUED FROM PREVIOUS PAGE

both of which are expected—it will necessitate new work in the outer harbour. Here there is a scheme to extend the outer port with two big break-waters. Within the western breakwater it is intended to establish a big container and ro-ro berth capable of handling three large container vessels and ro-ro ships at the same time in some 18m. of water at quayside and a minimum of 15m. at low tide. On the eastern side it is intended to establish an LNG terminal big enough to accommodate the Distrigaz operation and other work which this may attract.

The expansion of the port's capacity to take large ships, however, only highlights a serious problem: the inadequacy of the inland waterway system. At the moment the canal linking Zeebrugge with Brugge itself gives access to the Ostend-Brugge-Ghent canal. The navigation of Brugge itself is tortuous, while the Ostend-Brugge-Ghent canal is accessible for craft of only some 600 tons since the banks in the Ghent area are badly neglected. This problem is an important obstacle to the development of the port for the import of ore.

Essential

The plans to combat this are some way from realisation but have at least been formulated. The essential element is a *scheme to expand a drainage* canal at present linking Deinze with Eeklo and the coast and to enlarge the canal itself to give fully-laden barges of up *to 200 tons access to Ghent,* bypassing Brugge itself. Ultimately the hope is to enlarge the Noorderkanall for push convoys of up to 10,000 tons. *Through this link via the* Ghent-Terneuzen canal and the western Scheldt with the Rhine delta ports, Zeebrugge would be able to lay claim to the title *of the most southerly Rhine* port with direct access to the European waterway system.

To enhance Zeebrugge's role as a transhipment port a separate cargo handling "transport area" is to be developed with quick access to both inner and outer ports. Tentative plans have been put together to *create this area on a 150 acre* site adjoining the motorway to the port. The idea is to keep the actual dockside areas free of congestion and enable the port to assemble cargoes while providing space for storage, warehousing and distribution.

The motorway and rail links are good. Existing and projected motorways will provide rapid access to France to the south, Holland to the north and to the German motorway network to the east. From Zeebrugge it is 165 miles to Amsterdam; 513 to Berlin; 216 to Bonn; 450 to Berne; 671 to Copenhagen; 195 to Paris; and 125 to The Hague.

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Up further 9.7 on spillover demand

BY OUR WALL STREET CORRESPONDENT

NEW YORK, March 2.

SPILLOVER DEMAND from yesterday's late rally helped push prices higher again on Wall Street to-day.

The Dow Jones Industrial Average regained a further 9.76 to 985.12 and the NYSE All Common Index put on 32 cents to $53.82, while rises led falls by a two-to-one majority. Trading volume expanded 3.52m shares to 25.59m.

Investors were encouraged by the Stock Market's late rebound on Monday, despite evidence of tightening Federal Reserve monetary policy. The gain was based on the continuing economic recovery, and confidence continued to be supported by the Government report late last week of a strong gain in January Leading Economic Indicators.

U.S. Steel moved ahead $1½ to $81½, General Motors $1½ to $67½, Celanese $1½ to $53½, Union Carbide $1½ to $75½, Aluminum Co. of America $1½ to $48½, and International Paper $1½ to $75½.

Teledyne further advanced $2½ to $49—it is calling for redemption on April 5 of its 3½ per cent. Convertible Debentures, due 1992.

Fairchild Camera also lost $2½ to $40½ xd on its expectation of first quarter earnings below that of the fourth quarter of 1975.

Goodyear Tire and Rubber rose $1 to $23½ and Firestone Tire added $½ at $24½—the Justice Department dismissed two Anti Trust Suits filed in 1973 against the nation's two largest tire makers.

Corning Glass improved $2½ to $63½, Digital Equipment $7½ to $175, Gleason Works $1½ to $12½, Holly Sugar $2½ to $43½, Amstar $2½ to $44½, Fisher Scientific $2½ to $14½, and Litton Industries $1½ to $15.

Belding Heminway jumped $1½ to $10—it expects to report record sales and net earnings for the 1975 fourth quarter and the year.

IC Industries put on $1 to $20 on its "cautiously optimistic" 1976 outlook.

Marley moved ahead $2½ to $48½ on "sharply higher" January quarter net.

The American S.E. Market Value Index rose 0.56 to 103.07, while advances led declines by 439-to-271.

Canadian Corporate Management jumped $3 to $27 on its "solidly higher" 1975 earnings.

Toronto Dominion dipped $½ to $19 despite higher first-quarter earnings.

PARIS — Generally mixed in light trading in the absence of any significant element.

Banks, Constructions and Metals mostly eased, while Motors, Stores, Electricals, Oils and Chemicals were steady to mixed.

In the Foreign section, Americans and Belgians dipped, but German and Dutch issues moved ahead. International Oils were mostly higher, but Gold Mines eased.

BRUSSELS — Mixed after calm trading.

Steels were basically steady, non-Ferrous Metals firm, Electricals and Utilities little changed, Chemicals higher, Holdings easier, while Oils were narrowly mixed.

U.S. stocks were mixed, South African Gold Mines fell, while gains were registered among French, Dutch and German stocks.

AMSTERDAM — Predominantly higher in moderate trading.

In Internationals, Akzo rose Fls.1.90, Philips Fls.0.80, Royal Dutch 2.70. Unilever jumped Fls.3.40—after the close it announced 1975 fourth quarter earnings of Fls.5.17 (Fls.2.81) per share.

Dutch Industrials were firm. State Loans were steady.

GERMANY—Broadly higher in moderate trading.

Banks moved up. Electricals were firm, Chemicals gained ground. Motors advanced, Machine Makers were higher, Steels were predominantly up, but Metals lost a little ground.

Minings mostly advanced, Utilities generally gained ground. Stores improved, while Breweries were steady.

Public Loans gained up to 50 pfennigs, with the Regulating Authorities selling DM21m. nominal of stock. Foreign Mark Loans were mixed.

SWITZERLAND—Markets were higher on selectively strong demand.

Swissair rose Frs.18 to 583 on the IATA decision to increase fares from May 1.

Holderbank Bearer and Registered were good features in Financials, prompted by heavy Institutional buying.

Leading Industrials rose on expectations of an economic recovery.

State Bonds were irregular.

Dollar stocks were generally firm in active trading. Dutch Internationals very steady, while Germans were also slightly higher.

MILAN — Lower in quiet trading, with recent Italian interest rate increases continuing to depress market sentiment.

Bonds were mixed.

OSLO—All sectors were quiet, except for shippings which eased slightly.

VIENNA—Mixed in moderately active trading.

COPENHAGEN—Mixed in fair dealings.

HONG KONG—Mixed in increased trading.

Hong Kong Bank were down 10 cents to $HK23.40, Hong Kong Land 5 cents to 9.00, Jardine 30 cents to 26.80, China Light 20 cents to 21.70 and Hong Kong and Kowloon Wharf 10 cents to 17.20.

But Hutchison were up 10 cents to $HK3.00, Swire Pacific "A" 10 cents to 10.60, Hong Kong Telephone 20 cents to 20.80 and Kowloon Motor Bus 30 cents to 8.00.

JOHANNESBURG—Gold shares were marginally easier on London selling.

Union Corp. gained 15 cents to R455 on its results and dividends.

Coppers were firmer, with Messina up 5 cents to R310. Platinums were little changed, while other Metals were easier.

TOKYO—Mixed on revived concern over the Lockheed Aircraft political payoff scandal. Volume 250m. (240m.) shares.

Some "large-capital" shares fell on profit-taking. Resources shares, Constructions, Rubbers and Shippings also eased.

Electricals were higher.

Some Chemicals were active, with investors anticipating good results.

AUSTRALIA—Generally unsettled in dull trading.

Among Mines, Pancontinental moved up 20 cents to $A11.40, Ocean Resources rose 2 cents to 34 cents but Cons. Gold dipped 10 cents to $A2.30 offered—the three companies announced a new agreement on the Ocean Resources uranium venture.

Utah fell 8 cents to $A9.72.

Thiess lost 5 cents to $A2.00, despite its profit improvement, while Hooker eased 3 cents to $A1.40, although it announced improved interim profits plus a one-for-five rights issue.

Among Banks, CBA advanced 8 cents to $A2.98.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume 000's
Mar. 2	72.15	206.79	985.12	87.62	25,590
Mar. 1	72.27	205.29	975.36	87.39	22,070

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Mar. 2	117.06	100.56
Mar. 1	115.43	100.02
Feb. 27	115.02	99.71
Feb. 26	115.46	100.11
Feb. 25	114.71	101.60
Feb. 24	114.06	102.43
Feb. 23	114.13	101.81
Feb. 20	114.67	102.10
Feb. 19	112.59	101.41

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Feb. 26	Feb. 19	Feb. 12
On Dividends	5.46	5.67	5.66
On Earnings	8.91	9.29	9.26

SYDNEY ALL ORD. INDEX

TOKYO NEW SE INDEX

STOCK AND BOND YIELDS

HONG KONG INDEX

TUESDAY'S ACTIVE STOCKS

SINGAPORE INDEX

IND. DIVIDEND YIELD p.c.

N.Y. SE ALL COMMON INDEX

RISES AND FALLS

AMERICAN SE MARKET VALUE INDEX

EUROPE

TORONTO

INDUSTRIAL INDEX

MONTREAL

INDUSTRIAL INDEX

COMBINED INDEX

JOHANNESBURG

OTHER MARKETS

Canada moves up

Canadian Stock Markets also moved ahead in light trading yesterday.

The Industrial Share Index gained 0.51 to 193.53, Golds 0.13 to 302.19, Base Metals 0.17 to 86.30, Western Oils 2.34 to 218.01, Utilities 0.31 to 130.83 and Papers 0.29 to 120.95. But Banks gave way 3.24 to 251.54.

Dome Petroleum rose $1 to $83½ and Massey-Ferguson improved $1½ to $28½.

Dollar erratic

After a firm start in the foreign exchange market yesterday, the U.S. dollar gave ground to some major currencies, ending the day below some of its overnight levels. There was reported to have been an over-reaction in the market, to rising U.S. and Eurodollar interest rates on Monday, and in consequence early gains were soon pegged back. There was some intervention by central banks and this seemed to smooth the erratic movements of the dollar and brake its early advance. The dollar closed at DM2.5765 from the previous DM2.5790. The depreciation of the dollar, on a Morgan Guaranty basis, narrowed to 2.51 per cent., from 2.66 per cent.

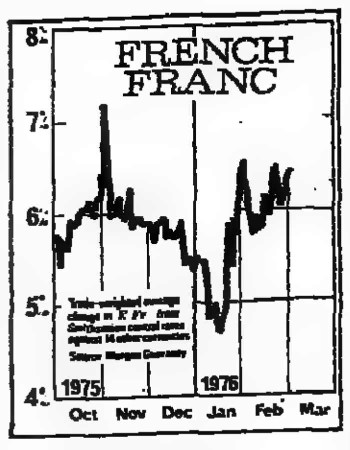
The Italian lira traded quietly with the same degree of uncertainty about the Bank of Italy's support level prevailing.

The Bank of Italy appeared to carry little or no support for the lira, and by the close the currency had slipped to L790 in terms of the dollar. Its trade-weighted depreciation, as calculated by Morgan Guaranty of New York, on noon rates, widened to 45.78 per cent, from 44.63 per cent. on Monday.

Sterling remained steady on balance with its trade-weighted average depreciation, as calculated by the Bank of England, closing unchanged at 30.1 per cent. This was the same as in early dealings and at noon. The pound finished at $2.0235-2.0245 which was unchanged on Monday's close.

Gold traded quietly throughout the day, and drifted gently towards a close of $131-132, a loss of $¼ an ounce on the previous day.

The krugerrand closed at $134½-$136½ (£66½-67½) against $135-137 (£66½-67½) in both international and domestic dealings. Its premium over the gold content widened to 3.04 per cent. from 28.4 per cent.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to	Mar. 2	Mar. 1
Sterling	0.575580	0.576310
U.S. dollar	1.16509	1.16841
Belgian franc	45.7939	45.7580
Deutsche mark	3.00069	2.99931
French franc	5.24028	5.23681
Italian lira	920.130	900.990
Japanese yen	351.375	352.626
Dutch guilder	3.13642	3.13134
Swedish krona	5.13047	5.12114
Swiss franc	3.01788	3.00176

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

Mar. 2	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.576-577	57.25-35	6.66-67	5.208-218	95.76-82	99.60-80
N. York	38.84-88	—	22.24-28	2.546-549	2.0235-0250	37.26-28	38.67-70
Paris	174.40-50	4.4927-5027	—	11.4535-468	9.09½-10½	167.15-65	175.735-.13
Brussels	15.24-27	39.29-33	8.73-76	—	79.50-62	14.60-65	15.17-20
London	6.21½-22½	2.0235-45	9.09½-10½	79.45-55	—	5.43½-44½	5.23½-24½
Am'dam	104.42-47	2.6907-32	59.79-84	6.8465-861	5.4445-85	—	103.995-.04
Zurich	100.33-52	2.5657-72	57.48-53	6.57½-58½	6.2335-80	96.18-28	—

U.S. $ in Montreal. U.S. $=98.84-86 Canadian cents.

EURO-CURRENCY INTEREST RATES*

GOLD MARKET

FOREIGN EXCHANGES

OTHER MARKETS

FORWARD RATES

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £1—87½% (88½%).

NEW YORK

CANADA

GERMANY ♦

PARIS

AMSTERDAM

MILAN

BRUSSELS/LUXEMBOURG

TOKYO ¶

SWITZERLAND ♦

COPENHAGEN

VIENNA

AUSTRALIA

JOHANNESBURG

SPAIN ♥

STOCKHOLM

OSLO ♦

Source Nikko Securities Tokyo.

FARMING AND RAW MATERIALS

Drought will cut U.S. wheat crop

CALIFORNIA, March 2.

AMERICAN AGRICULTURE Secretary Mr. Earl Butz has warned that drought will cut U.S. wheat production this year by 10 per cent. He said in a speech here: "If it doesn't rain soon, this estimate might have to go up."

Mr. Butz said the drought—in western Kansas, north Texas, western Oklahoma and eastern Colorado—would reduce U.S. wheat output by about 200m. bushels. The original estimate for this year's crop was 2.2bn. bushels.

Farmers in the old dust-bowl areas in Kansas and Oklahoma have been hit hard by what officials fear could become the worst drought in 20 years.

Mr. Butz said the losses would not cause a problem in the U.S. as wheat stocks totalled between 400m. and 500m. bushels—nearly enough to satisfy annual domestic demand.

If normal weather returns soon, American officials believe the damage will not be severe enough to cause a grain shortage.
Reuter.

● Later, forecasts of rain in south west wheat growing areas prompted brisk selling and a drop in wheat prices when the Chicago grain market opened, Reuter reported. Maize, soyabean and soya oil futures also fell under the influence of the wheat market sentiment.

Australian wool sales to be held

SYDNEY, March 2.

WOOL SALES will be held in Sydney and Melbourne to-morrow, the Joint Wool Selling Organisation chairman, Mr. Don Von Bibra, said here.

To-day's scheduled Sydney and Melbourne sales were cancelled because of problems caused by industrial action by storemen and packers in wool stores and dumps.

Mr. Bill Williams, director of the National Council of Wool Selling Brokers, said a hearing in Melbourne of the storemen and packers dispute before the Arbitration and Conciliation Commission had been adjourned until to-morrow morning.

Meanwhile, storemen and packers at the Brisbane wool dump, who went on strike over a wage issue last Friday, returned to work to-day and are working normally.
Reuter

Warning of 'lame duck' U.K. sugar industry

BY JOHN EDWARDS, COMMODITIES EDITOR

A FIERCE attack on trade union pressure for halting the expansion in British sugar-beet production in favour of retaining existing cane refinery capacity was made yesterday by Mr. John Beckett, chief executive of the British Sugar Corporation.

In a special Press conference in London, he said proposals by the action committee of the General Municipal Workers' Union, submitted to the Government last week, could result in a "lame duck" sugar industry with soaring prices for consumers and increased imports, to the detriment of the balance of payments.

Propping up one side of the U.K. sugar industry, the port refiners, would seriously damage future efficiency of the other side, he claimed. It was "economic nonsense" which would result in higher prices for housewives and industrial consumers.

On the other hand, he forecast that sugar prices were likely to come down slightly this year, even if average yields were achieved from the increased beet acreage.

U.K. sugar prices now were some £20 a ton above the intervention level. Allowing for the likely increase to be agreed in the EEC farm price negotiations for the forthcoming season, there might be a reduction of £10 a ton—equivalent to 1p off a 2 lb bag—by the end of the year, when the forthcoming beet crop could bring very competitive conditions.

Mr. Beckett admitted that, if crops were reasonable this year, there was likely to be a sugar "mountain" of around 2m. tons in the EEC which would have to be subsidised in some way or other. But he suggested that this would be only a temporary surplus situation, lasting until 1980.

Price explosion

It was expected that, by then, the resumed growth rate in consumption—particularly in developing countries—that had been hit temporarily by the explosion in world prices, would mean that demand would outstrip production.

This was because the massive cost involved in creating new productive capacity meant that the kind of output increase needed in the years ahead simply would not be available, unless some form of international financing could be arranged.

In these circumstances, it was imperative that Britain developed domestic supplies, benefiting its own agriculture industry, instead of possibly being held to ransome again by cane producing countries.

From Moscow, meanwhile, Reuter reported that last year's Soviet sugar beet crop was apparently only around 66m. tonnes, compared with an original plan for 94m. This was calculated by Western observers from figures in a speech by Prime Minister, Mr. Alexei Kosygin.

In a report to the Soviet Communist Party Congress on the 1976-80 economic plan, Mr. Kosygin said a projected annual average beet output of 95 to 98m. tonnes would be 19 to 22m. up on the 1971-75 annual average.

This gave an average of 76m. tonnes for the past five years, or a total of 380m. By subtracting the declared 1971-74 output of 313.6m. tonnes, observers produced a 1975 figure of 66.4m.

Even allowing for a margin of error of 2m. tonnes either way due to rounding-off in Mr. Kosygin's figures, this would be the worst crop since 1963.

The experts said these figures confirmed the U.S. Department of Agriculture's estimate that Soviet sugar imports in 1976 would equal the high 1975 level of 3.15m. tonnes, raw value.

Sweet dreams end, Page 14

Landowners call for tax relief

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

INDIVIDUAL LANDOWNERS should receive comparable tax treatment to that of charities and pension funds provided certain conditions are met, according to a discussion paper "The Future of Landownership," by the Country Landowners Association, released yesterday.

Otherwise, it is claimed, only very small farming enterprises will be able to survive the attacks of capital taxation in the next few years.

The Association fears that continual inroads of these taxes will force the owners of all estates and farms of more than 500 acres to sell a proportion of their land to find the money needed. This in spite of concessions for working farmers.

Selling of this sort could so increase the acreage on offer—at present less than 2 per cent. annually—as to cause a slump in values. There do not seem to be sufficient buyers on the market to take all but a very small area of land at present prices.

Institutions tend to take a much more businesslike view of costs and returns than many private landlords and would probably pay lower prices for land offered.

The report claims that any fall in values would affect farming confidence and the willingness of owners to invest in long-term improvements.

What the report does not say is that the high cost of land and the consequent high valuation for tax purposes is at the root of the problem. If land values were halved next year, tax assessments would drop proportionately, and presumably the liabilities of landowners.

The report emphasises the care with which some landowners exercise their responsibilities for the amenities of the countryside. A stewardship which, it is claimed, leads to totally illogical actions in purely economic terms.

The time scale of estate management is so much longer than for any other business that continuity of ownership is essential for efficient estate planning. It is pointed out, too, that inheritance of farms between relatives suffers minimal taxation in some Continental countries.

While firmly rejecting any idea of State ownership, the CLA is not opposed to change in the pattern of land ownership to the extent that institutions, or outside investors, could purchase a proportion of the land, leaving the owner with overall control.

Nowadays the title, Country Landowners' Association, presents a rather false impression. In 1909 only 9 per cent. of land in Britain was owner-occupied. To-day, the proportion is more than 54 per cent.

Private landlords have 36 per cent. and institutions 9 per cent. so that apart from a minority of rich families, landowning is very much the domain of the working farmer owner-occupier. Thus the great majority of CLA members are probably the beneficiaries of past capital taxation.

Geest moves into egg marketing

By Peter Bullen

THE £160m.-a-year fruit and vegetable group, Geest Organisation, has moved into the egg business.

It announced yesterday that it had acquired a major interest in Oval Eggs, of Sowerby Bridge, Yorkshire, and planned to harness its national fresh food distribution system for collecting and delivering eggs.

Oval Eggs have a 1 per cent. share of the £300m.-a-year U.K. egg market, but Geest aims at 20 per cent. in five years by offering to put eggs on the supermarket shelves 24 hours after they are laid. Mr. Leonard van Geest, group chairman, said priority would be given to British eggs, but imported ones would be used if home supplies failed to meet demand.

A key feature of the company's plan, apparently, is persuading producers to grade and pack their own eggs, which could be difficult in view of the industry's financial difficulties in the past year or two.

World rice production rise estimated

BANGKOK, March 2.

WORLD RICE production for 1975-76 totalled 346.9m. tonnes, 6 per cent. more than in the previous year, said the Thai National and Social Development Board.

The Board expects sharp competition among rice exporting countries as a result of the higher output.

Thailand exported 144,650 tonnes of rice in February, of which 86,100 were shipped on a Government basis, a Foreign Trade Department source said.

This compared with 107,000 tonnes exported in February 1975.
Reuter

ALUMINA OUTPUT CUT AGAIN

KINGSTON, March 2.

Alcan Jamaica, a unit of Alcan Aluminium of Canada, said the company's alumina output was being cut back to a rate of 800,000 tons a year, from 927,000.

Mr. J. J. Gagnon, managing director of Alcan Jamaica, said the decision meant that 200 employees would be laid off. At the start of the year, the company laid off about 300 workers, when production was cut from a level of 1,127,000 tons a year.

In Montreal, a spokesman for Alcan attributed the cutback to the state of demand for alumina within and outside the Alcan group.
AP-Dow Jones.

U.S. COMMODITY MARKETS

Hard road for shaky Pacific Exchange

BY OUR CALIFORNIA CORRESPONDENT

THE AMBITIOUS but struggling Pacific Commodities Exchange in San Francisco has been staggered in recent weeks by several developments that threaten its already shaky position.

The most recent blow was delivered by the newly-organised Federal watchdog agency, the Commodity Futures Trading Commission. It has ordered the PCE to tighten up its self-policing programme after disclosing that a private audit shows the three-year-old exchange is in a "precarious" financial condition.

The Commission says the PCE has fallen short of legal standards for surveillance of trading because of the economy moves it has been making to trim operating expenses.

While reporting there is "no question" of any misuse of funds, the Commission has formally ordered the troubled exchange to draw up plans for surveillance of its market activity, trading practices and members' records, and an investigation of customer complaints. The Commission will inspect the exchange again within 40 days.

The PCE's assets on December 31 last were reported as $76,250 and its liabilities $30,045, with losses recently running at $3,000 to $5,000 a month.

In the fiscal year ended September 30, the exchange showed a deficit of $184,000. It registered a loss of $108,000 for the previous year.

It has been a hard road for the PCE, incorporated in late 1970 after several years of extensive study and opened in October 1972, with coconut oil as the initial commodity traded.

It was the first new regulated exchange in the U.S. in more than 50 years, the first commodities futures exchange west of Kansas City and the first commodities or stock exchange to offer its shares in a registered public stock offering. The plan was to provide a California-based market that would open commodities trading with the Pacific Basin.

Business progressed relatively smoothly during the PCE's first two years, but in the past year and a half it has been hit by a drop in trading volume and adverse markets that wiped out some of its stronger traders.

A $150,000 line of credit established with Bank of America helped to hold off failure of the exchange, a move which was closely considered by its Board of governors. In coming to the rescue, the bank was helping to protect its own investment in 10 per cent. of the PCE stock.

Now, besides facing financial hard times again and regulatory scrutiny, the PCE is worried by growing criticism over U.S. international aid loans funded by American taxpayers to finance part of the boom in production of palm oil, which is replacing American-grown soyabeans in some domestic markets.

Palm oil

In 1975 the exchange was designated a contract market for futures trading in palm oil and began actual trading in January of last year, adding to its coconut oil, silver and western live cattle futures.

The PCE hoped to cash in on the rapid increase in production of palm oil as a replacement for peanuts, soyabeans and other oilseeds in the world's vegetable oil market. The U.S. Department of Agriculture (USDA) predicts that world trade in palm oil, produced mostly in Malaysia, will be double present levels by 1980.

A USDA staff study released late last month said international financial aid has boosted world production of palm oil by more than 300,000 tons already, or more than a quarter of the total growth in palm oil production in recent years. More than two-thirds of the increased output, largely financed by U.S. aid, is being exported, much of it to the U.S., the report says.

But a USDA Foreign Agricultural Service report calls for the restriction of palm oil imports into the U.S. This is sharply criticised by Walter Minger, senior vice-president for agribusiness at Bank of America's world headquarters in San Francisco.

What may eventually result from the Government's look at competition between imported palm oil and domestic soyabean oil in terms of protective legislation and what the current concern may eventually mean to the PCE's trading in palm oil futures remain to be seen. Meanwhile, John Gallwas, a founder of the exchange and still its chairman, says it is complying with the Commodity Futures Trading Commission's demand for a closer scrutiny of its operations and financial dealings.

He points out that the exchange ended 1975 with $46,000 in cash as working capital. "The commission said it would be concerned if the level got much below $25,000. We concur: in fact, our point of concern is much higher than that, so we have to raise more capital."

Mr. Gallwas admits that January was a "terrible month" with the PCE losing $3,000. "February won't be much better, but it's not likely the doors are going to be closed," he said, emphasizing that the exchange's clearing house funds are safely deposited with Bank of America and are segregated from operating capital.

Will the PCE survive? "Yes, in our opinion it will make it," he responded: "I don't know what we'll do to raise new capital if we have to, but we've always been short of capital. It's important to remember the exchange is barely three years old," he declared.

"All commodities exchanges have had a long period of struggle before they really got going. It's about time we had a little good luck, though," he said hopefully.

New backing for U.S. options trading

WASHINGTON, March 2.

A COMMODITY Futures Trading Commission advisory subcommittee has recommended that the CFTC approve options trading on commodity futures exchanges. But a CFTC spokesman said that the options subcommittee had decided against allowing a single exchange to start up a pilot programme of option trading in advance of a formal decision by the Commission.

While the advisory subcommittee acknowledged that a pilot programme may be useful in demonstrating the merits and workability of commodity options trading, it had rejected the idea because this would give the exchange operating the pilot scheme a distinct advantage over all other exchanges when options trading was eventually approved.
Reuter

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Easier but above the day's lowest on the London Metal Exchange. After an opening trade of £840 in the pre-market, forward metal fell to £833 owing to chartist stop-loss and speculative selling but then rallied to end the day ...

... 36, 35, 35.5, 36, 36.5, 37, 37.5, 38, 37.5, 37, 36.5. Cathodes, cash, £809, 09.5, three months, £826.5, 27, 27.5. Kerb: Bars, three months, £837, 37.5. Afternoon: Wirebars, cash, £815, three months, £836, 36.5, 37. Kerb: Bars, three months, £837, 7.5, 8.

TIN—Marginally lower. The sharp downturn in Penang was more a reflection ...

... staged owing to fresh interest at the lower levels and speculative buying which in part reflected the differential that has built up between the two markets. There was a further narrowing in the premium for high grade metal over standard. Turnover 1,090 tonnes.

Morning: Standard, cash £3,267, 65, three months, £3,350, 48, 45, 46, 38. Kerb: ...

... section was a booking from Bangkok to Shanghai at $15 f.i.o. for early March loading. Two small fertiliser cargoes were arranged from Tampa to Nueva Palmira, Uruguay, at $17.50 f.i.o. for April.

Timecharterers booked a vessel of 32,300 long d.w.t. for a voyage from Japan to Continent at $4.80 option ...

LEAD

ZINC

SILVER

COFFEE

RUBBER

SOYABEAN MEAL

COCOA

GRAINS

FREIGHTS

LONDON GRAIN FUTURES MARKET

(GAFTA)—Wheat, barely steady. Close: March 66.10, May 68.15, Sept. 66.85, Nov. 65.00, Jan. 69.80. Business: March 66.10-... Sales: 143. Barley, barely steady. Close: March 64.00, May 65.25, Sept. 65.60, Nov. 67.30, Jan. 69.10. Business: March 64.10-64.00 ...

: U.K.—Cattle £23.37 per live cwt (+0.25); Sheep 44.6p per pound e.d.c.w. (+1.41); Pigs £4.72 per sc. l.w. (−0.19). England and Wales—Cattle numbers up 8.7 per cent., average price £23.43 (+0.29); Sheep down 18.0, 44.9p (+1.7); Pigs up 6.5, £4.71 (−0.13). Scotland—Cattle down 14.2, £23.16 (+0.14); Sheep up 26.6, 42.7p (+0.1); Pigs up 15.3, £4.62 (−0.12).

COVENT GARDEN

SUGAR

JUTE

WOOL FUTURES

MEAT/VEGETABLES

USSR TO BUY COCONUT OIL

NAILA, March 2.

Philippines Trade Secretary, Troadio Quiazon Jr., said the Government had approved a bulk sale of crude coconut oil to the USSR valued at $1.5m.

Shipment for March to June delivery would be made by Granexport Manufacturing Corporation to Cargill Inc. acting as agent for the Soviet Import Agency, he said.

Last week the Government approved a Granexport deal to sell copra valued at $732,000 to the USSR.
Reuter

PRICE CHANGES

Prices per ton unless otherwise stated.

	Mar. 2 1976	+ or −	Month ago
Metals			
Aluminium	£420		£420
Free Market (cif)	£565-575		£540-550

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

COTTON

CONTRACTS AND TENDERS

LEGAL NOTICES

COMPANY NOTICES

PUBLIC NOTICES

U.S. Markets

Wheat falls on rain forecast

NEW YORK, March 2.

PRECIOUS metals closed slightly lower in sympathy with grains. Copper was easier on Commission House liquidation, following the rescinding of Cities Services price increase. Wheat closed weak on forecast of further rain in growing areas. Coffee finished strong on aggressive trade buying. Cocoa closed firm on local short-covering touching Commission House stops, Bache reports.

Cocoa—Ghana spot 74½ (74). Bahia spot 70½ (69½). March 68.40 (67.75), May 64.90 (64.20), July ..., Sept. ..., Dec. ..., March 56.75, May 55.90, July unquid. Sales: 1,085.

Coffee—"C" Contract: March 95.10-95.30 (94.70), May 96.60-96.65 (95.15), July 97.00-96.95, Sept. 97.20-97.25, Dec. 97.00-97.25, March 96.90. Sales: 715.

Copper—March 58.10 (58.60), April 58.30 (58.90 settlements), May 58.60, July 59.70, Sept. 60.50 settlements. Sales: 2,085 lots.

Cotton—March 61.20-61.40 (62.67), May 61.65-61.75 (62.98), July 61.85-62.00, Oct. 60.00-60.15, Dec. 59.30-59.60, March 59.10-59.25, May 59.30-59.30, July 59.70-59.80. Sales: 2,850.

†Gold—March 131.20 (132.30), April 131.50 (132.30), May 131.50, June 131.90, Aug. 132.90, Oct. 134.10, Dec. 135.30, Feb. ...

STOCK EXCHANGE REPORT

Unilever's results give equity markets a small fillip

Index up 4.3 at 407.1—Gilts lower and Golds retreat

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Feb. 23	Mar. 4	Mar. 5	Mar. 16
Mar. 8	Mar. 18	Mar. 19	Mar. 30
Mar. 22	Apr. 1	Apr. 2	Apr. 13

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Better-than-expected results from Unilever helped equities shake off early uncertainty in stock markets yesterday, but British Funds continued on a downward path while South African Gold shares sustained another sharp setback.

Leading Industrials were inclined easier at the start, but a few buyers appeared after the Unilever figures and, with stock in short supply, prices gradually moved higher thereafter. A firm opening on Wall Street also assisted sentiment in "after-hours" dealings and final quotations were around the day's best. Down 1.2 at 10 a.m., the FT 30-share index closed 4.3 up on balance at 407.1. In contrast, sentiment in Gilt-edged securities was again unsettled by the rise in short-term U.S. interest rates, which raises the possibility that the next movement in U.K. rates may also be upwards. Movements throughout the day were rather erratic with prices quick to respond to either buyers or sellers. However, the latter finally gained the upper hand and losses generally ranged to ⅜. The Government Securities index lost 0.21 further to 62.63, for a fall of a full point over the last three trading days.

Movements in secondary issues were usually small. Overall, the trend was mixed, but falls had the edge over rises by about 3-2 in FT-quoted Industrials, but the FT-Actuaries All-Share Index hardened 0.5 per cent. to 166.78.

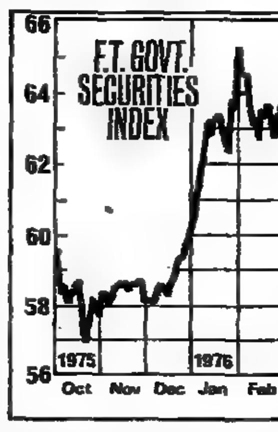
Political uncertainties continued to dominate sentiment in southern African issues. This, coupled with a further setback in the dollar premium and a fall of $0.75 to $131.50 per ounce in bullion left Gold-mining shares with some substantial falls. The Gold Mines index fell 8.4 to 173.7.

Although the downward trend in the investment currency premium continued, more resistance developed and in good two-way trading the rate fluctuated between 85¾ and 89 per cent. before settling at 87½ per cent., down a point on the day. Yesterday's SE conversion factor was 0.6842 (0.6765).

Standard ex "rights"

Activity in Home Banks continued to centre on Lloyds new nil-paid shares which, after having been sold down to 19p premium in the early trade, rallied late to close at net 1 off at 22p premium; the old moved similarly to close 2 easier at 228p. Less interest was shown in the other big three, all of which picked up late after initial easiness. Barclays, with results due on Friday, ended 2 up at 302p, after 295p, while net losses of 2 were seen in Midland, 290p, after 285p, and National Westminster, 260p, after 255p. The other feature in the banking sector was Standard Chartered, which were quoted ex "rights" at 350p, down 14; the new nil-paid shares opened at 40p premium and steadily fell away to close at 29p premium in fairly active trading. Investment dollar premium influences continued to make for dull conditions among other foreign issues, although losses here were generally small. Australia and New Zealand proved a weak exception, being sold down to 338p for a fall of 12. Among Discounts, Allen Harvey and Ross were opened higher at 475p on further consideration of the satisfactory results but lost ground late to close at 460p, 3 down on the overnight price.

Further consideration of Monday's figures from Commercial Union and "Royals" gave Composite Insurances a boost; Commercial, also helped by yield considerations, rose 6½ to 123p, after 134½p, thus more than erasing Monday's fall of 4½ on the underwriting losses, while



"Royals" advanced 12 to 328p. Other firm spots took in Phoenix, 4 up at 230p, while Brokers to improve included Matthews Wrightson, a further 3½ higher at 190p, and A. Howden, 4 up at 138p.

Breweries tended a shade easier were changed. Greenall Whitley lost 2 to 61p, while Whitbread "A" shed 1½ to 67½p.

Buildings tended easier in light trading. Y. J. Lovell, however, edged up 2 to 52p following Press comment on the chairman's statement. Timbers lost ground, Phoenix losing 3 to 75p and Magnet and Southern 4 to 186p.

Ahead of to-day's publication of the full report, ICI eased to 378p before rallying to close 2 better on the day at 383p. Among Overseas issues, Norsk Hydro lost 1½ at £36 and Hoechst declined 20 to 465p.

EMI provided a good late feature at 263p, up 8, on investment support ahead of to-morrow's interim statement. Other leading Electricals were quiet and little changed. Secondary issues, however, had a good feature in BSR which improved 8 to 123p, after 125p, on excitement generated by the launch of a revolutionary new turntable; the preliminary figures are expected next Tuesday. Press comment directed fresh attention to United Scientific which moved up 3 more to 118p. Among overseas issues, Sony reacted 30 to 610p in line with the current weakness of the dollar premium.

Stores closed on a firmer note following a slight increase in business. Raybeck were prominent late at 43½p, up 2½p, while British Home Stores, 367p, and UDS, 92p, put on 2 apiece. After recent weakness on the disappointing preliminary statement, F. W. Woolworth became a steadier market and closed a fraction harder at 68p. Greenfield Milletts made no apparent response to the preliminary figures, finishing unchanged at 24p. MFI Warehouses, however, were lowered 3 to 43p. Contrasting movements in Newsagencies were provided by John Menzies, 3 off at 120p, and NSS, 2 better at 62p. Dealings were suspended yesterday in Cohen and Wilks following the appointment of a Receiver; the Ordinary were suspended at 4p and the "A" at 1p.

Marked firmness in selected leaders was the noticeable event in Engineerings. A technical situation, probably a bear squeeze, in GKN was thought to be behind the movement which left the shares 11 higher at 327p; both Tube Investments, 344p, and Hawker Siddeley, 422p, followed with rises of 8 apiece. James H. Dennis jumped 9 to 50p on the "rights" issue news and accompanying dividend forecast, but TCK slumped to 110p before steadying at 123p, down a net 27p, following the unexpected decline in profits. Improved results put Joseph Shakespeare up 1 to 28p. Elsewhere, Rotork gained 5 to 149p, Spear and Jackson picked up 4 to 98p and Charles Clifford a like amount to 78p. WGI continued firmly at 84p, up 2, while Whessoe improved 3 to 63p. Shipbuildings became a little more interesting and Swan Hunter, which is hopeful of a recovery after the recent Swan Maritime disappointment, rallied 1½ to 46p.

Foods passed a quiet session. Tate and Lyle rallied 4 to 269p and Rowntree Mackintosh were the same amount up at 198p: the latter's preliminary figures were announced on April 10 last year. After Monday's jump of 18 on the interim report, Fox's Biscuits eased 2 to 108p.

Isle of Man Enterprises attracted interest and closed 3 better at a 1975-76 peak of 44p. Myddleton Hotels ended a penny harder at 38p after the interim statement, but Leisure and General, at 39p, gave up a penny on further consideration of the half-yearly report.

Unilever rise

Better-than-expected fourth quarter profits led to a rise of 14 to 432p in Unilever; the N.V. held at £20¾, partly on continental influences and partly on the easier trend of the dollar premium. Other miscellaneous industrial leaders tended slightly firmer where changed. Glaxo rose another 4 to 375p. Turner and Newall rallied, the old recovering 4 to 153p, while the new nil-paid picked up 3 to 14p premium. Features among secondary issues were few and far between. Diploma Investments, however, rose 3½ to 61½p on its interim report giving a much improved liquidity position, a proposed "rights" offer and final dividend forecast. Ega Holdings gained 2 to 42p following the first-half outcome, but higher interim profits failed to stir F. Austin (Leyton), which stayed at 9½p. The trend elsewhere was generally higher, but Newey Group proved a dull exception at 72p, down 6, on some nervousness ahead of to-morrow's results. Foreign issues to give ground included Jardine Matheson, 10 off at 390p, and Barlow Rand, another 4 lower at 169p.

Motors and Distributors edged higher. Lucas closed 2 up at 215p following some reasonable investment demand, while British Leyland, 36p, and Dunlop, 89p, put on a penny apiece. On the bid front, Thompson-Reid eased 1½ to 28p in sympathy with a fall of of 6 to 55p in a thin market in bidders Charles Hurst.

Star Paper were raised 12 to 20p bid on the offer by Kymin Osakeyhtio-Kymmene Aktiebolag to acquire the outstanding 4.83 per cent. not already owned at 22p cash per share. Hindson Print moved contrastingly, losing 7½ to 42½p following the interim profits setback, but Alliance Alders rose 1½ to 49p, which is 2 above the cash offer from Jefferson Smurfit. Elsewhere, Routledge and Kegan Paul reacted 3 to 50p.

Properties were uneventful, tending to fluctuate narrowly in slow trading. Land Securities settled 1 harder at 183p, but English were that much softer at 62½p and MEPC remained at 84p. Contrasting Press comment left London and Provincial Shop up 2 at 52p, but Hammerson "A" 8 down at 357p. In a thin market, Property and Reversionary "A" were lowered 3 to 193p.

None too certain in the early business, the Oil leaders picked up and Shell closed 4 to the good at 382p after having been down to 374p initially. Likewise, British Petroleum ended 5 up at 590p, helped by incoming Wall Street influences, while Burmah hardened 1 to 51p. LASMO/SCOT recovered 5 to 165p, but several other overseas issues lost ground. Reflecting down-under advices, Woodside-Burmah gave up 6 at 96p.

Overseas Traders presented a mixed picture, with Lonrho making a better show after recent dullness to close 4 up at 121p. Sime Darby, belatedly feeling the effects of the weakening investment dollar premium, closed 11 down at 107p and the same reason left South African Distilleries and Wines 15 lower at 273p. However, firm spots were seen in Gill and Duffus, 4 up at 146p, and S. and W. Berisford, 2 harder at 141p.

Overseas issues made a dull showing in otherwise little-changed Trusts and Financials. Massmutual Mortgage came back 45 more to 800p for a two-day loss of 65.

Interest in Shippings was largely confined to Reardon Smith "A" which improved to 83p before closing a net 8 better on the day at 76p on the encouraging statement accompanying the preliminary figures. Sheaf Steam were raised 7 to 70p in sympathy.

A good Press on Youghal Carpet's second-half profits upsurge brought a further rise in the price to 100p before a close of 98p, up 3 on balance. Of other Carpet shares, Tomkinsons rose 4 to 61p. Textiles otherwise presented few features apart from Sidlaw Industries, a further 2 higher at 78p, again in reflection of the unexpectedly favourable start to the year. Courtaulds picked up another 1 to 157p.

Tobaccos continued irregularly with Bats losing 5 more to 348p.

Tiger Oats reacted 25 to 415p in South African Industrials where Primrose, 125p, and Hulett's Corporation, 150p, shed 5 apiece.

Recent weakness of the investment dollar premium made itself felt in the Rubber share market which, through lack of interest on the part of buyers, sustained a sprinkling of minor losses. Kulim were 2 lower at 28p. Teas were idle, although Sri Lanka issues continued easier where changed. Tea Corporation declined a penny to 4p.

Losses in Mines

All sections of mining share markets were on the retreat in line with the further initial decline in the investment dollar premium. Africans continued to be the worst affected following the remarks by African leaders concerning South West Africa and Rhodesia.

De Beers receded a further 14 to 203p, again reflecting the group's considerable inter[est in] South West Africa. [Anglo] American gave up 7 to a [1975-76] low of 237p, while Union Co[rpora]tion also fell to a 1975-76 [low of] 265p. In the heavyweight [Finan]cials, GFSA were ½ lower a[t ...] while General Mining clo[sed ...] down at £16½.

London-based issues al[so lost] ground reflecting their in[terests] in Africa. Gold Fields, the [most] actively traded stock o[n the] London Exchange, fell to a [...] low of 134p at one point [before] closing 7 lower at 136p.

Platinums continued to [drift] lower while in generally [...] Coppers, Palabora were ou[tstand]ing, rising 20 to 850p owin[g to] London demand.

The slide in South Africa[n Gold] share values continued un[abated] following the lower bullion [price] (which was finally 75 cents [lower] at $131.50 per ounce) an[d a] discouraging performance [of] Golds in overnight U.S. m[arkets]. Share prices generally fell [to new] 1976 lows and the Gold [Mines] index came back 8.4 to 17[3.7, its] lowest since December 11, 1[974].

Australians lost ground wi[th the] exception of Pancontin[ental] which rose ½ to £11 on con[firma]tions of the deal wherebY [the] company is to take a stake [in and] manage Ocean Re[sources'] Northern Territory ur[anium] prospect.

Elsewhere, "Tanks" gaine[d ... to] 160p: the company is seek[ing to] open negotiations with [the] Angolan Government in or[der to] get operations back to norm[al on] its Benguela railway.

FINANCIAL TIMES STOCK INDICES

	March 2	March 1	Feb. 27	Feb. 26	Feb. 25	Feb. 24	[illegible]
Government Secs.	62.63	62.86	63.46	63.65	63.51	63.38	[illegible]
Fixed Interest	62.37	62.75	63.05	63.01	62.80	62.89	[illegible]
Industrial Ordinary	407.1	402.8	405.2	410.2	409.2	407.5	[illegible]
Gold Mines	173.7	182.1	183.9	189.5	195.6	189.9	[illegible]
Ord. Div. Yield	5.12	5.19	5.15	5.10	5.12	5.15	[illegible]
Earnings Yld % (full)	14.71	14.89	14.83	14.65	14.69	14.74	[illegible]
P/E Ratio (net)	10.00	9.87	9.92	10.04	10.01	9.97	[illegible]
Dealings marked	7,109	6,723	6,741	7,856	6,767	7,571	[illegible]
Equity turnover £m.	—	48.54	59.35	70.37	70.25	68.51	[illegible]
Equity bargains total	—	18,218	17,659	18,590	16,243	15,916	[illegible]

10 a.m. 401.6. 11 a.m. 402.0. Noon 404.8. 1 p.m. 403.5. 2 p.m. 403.4. [illegible] Latest Index [illegible]

* Based on 52 per cent. corporation tax. † Nil=9.92. Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1975/6 High	1975/6 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	49.18 (6/1/75)	127.4 (9/1/35)	49.18 (6/1/75)
Fixed Int.	64.43 (2/2/76)	50.53 (3/1/75)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	417.4 (30/1/76)	146.0 (6/1/75)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.5 (22/5/75)	173.7 (2/3/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	March 2	[illegible]
Daily—		
Gilt-Edged	209.9	[illegible]
Industrials	221.6	[illegible]
Speculative	89.2	[illegible]
Totals	161.8	[illegible]
5-day Average—		
Gilt-Edged	169.5	[illegible]
Industrials	238.6	[illegible]
Speculative	89.0	[illegible]
Totals	160.6	[illegible]

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section.

	Tues. Mar. 2 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Mon. March 1 Index No.	Fri. Feb. 27 Index No.	Thurs. Feb. 26 Index No.	Wed. Feb. 25 Index No.	Year ago (approx.) Index No.	1975-76 High	1975-76 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (178)	153.57	−0.6	16.01	5.57	10.08	10.08	152.66	153.16	155.14	153.31	105.29	155.14	51.78	206.37	50.71
2 Building Materials (29)	143.90	−0.2	11.67	6.08	13.26	13.26	144.15	144.60	145.97	145.42	93.86	150.18	45.11	233.84	44.27
3 Contracting, Construction (23)	234.30	−0.5	14.96	4.18	10.44	10.44	235.55	237.11	238.24	236.18	191.24	263.54	74.74	389.33	71.48
4 Electricals (16)	271.57	+0.7	16.06	4.40	9.13	9.12	269.58	271.39	276.09	270.45	195.96	276.09	98.49	350.04	84.71
5 Engineering (Heavy) (13)	169.93	−0.4	19.24	6.95	8.45	8.45	169.24	171.56	174.58	178.11	132.01	161.58	64.39	202.57	64.39
6 Engineering (General) (63)	140.48	−1.0	15.77	6.06	9.51	9.50	139.10	139.26	140.93	139.21	89.51	140.93	45.43	168.59	45.43
7 Machine and Other Tools (9)	57.45	+1.0	14.70	6.52	12.26	12.26	56.88	57.05	57.05	56.59	37.92	57.45	20.11	136.70	19.96
8 Miscellaneous (25)	133.57	+0.2	15.51	6.29	9.79	9.79	133.16	134.15	134.65	133.25	94.78	134.86	49.65	177.41	49.65
9 CONSUMER GOODS (DURABLE) (56)	158.12	+0.3	14.01	4.54	10.78	10.77	157.71	157.66	159.82	157.37	76.18	139.82	38.39	227.78	38.39
10 Electronics, Radio TV etc. (15)	157.24	−0.8	12.14	3.40	12.55	12.31	155.98	156.25	159.21	155.14	91.43	159.21	44.28	257.41	42.86
11 Household Goods (15)	181.36	−0.2	17.81	6.21	8.37	8.36	181.75	182.66	184.70	184.94	119.60	184.94	64.53	263.22	63.92
12 Motors and Distributors (26)	81.71	−0.5	15.56	5.74	9.90	9.90	81.99	81.88	82.47	81.60	38.32	82.47	19.91	170.59	19.91
13 CONSUMER GOODS (NON-DURABLE) (168)	156.02	+0.6	13.40	5.04	11.05	10.94	155.10	156.51	159.47	158.64	180.38	162.24	61.98	226.08	61.41
14 Breweries (15)	164.92	−0.9	13.68	6.54	10.97	10.97	166.46	167.80	172.40	171.72	135.56	179.43	75.58	281.87	69.47
15 Wines and Spirits (7)	177.68	−0.1	10.42	5.68	14.56	14.56	177.75	178.90	182.17	180.66	139.73	185.67	80.42	257.40	78.81
16 Entertainment, Catering (16)	207.21	−5.2	10.74	5.89	14.89	14.21	197.05	197.41	200.62	206.87	119.74	208.60	55.28	329.99	54.87
17 Food Manufacturing (22)	167.24	+1.3	12.50	4.94	11.29	11.21	166.10	166.25	169.18	167.61	133.12	174.03	62.05	211.65	59.78
18 Food Retailing (16)	142.68	+0.8	11.66	4.85	12.47	12.47	141.61	143.81	147.03	144.86	118.66	155.88	57.15	235.08	54.25
19 Newspapers, Publishing (15)	182.45	−0.4	12.37	5.54	12.13	12.13	185.22	184.10	184.16	183.37	138.58	184.16	55.08	250.29	55.08
20 Packaging and Paper (13)	110.40	+0.3	19.75	6.92	7.53	7.54	110.12	110.69	112.50	111.19	84.96	112.50	43.46	136.69	43.46
21 Stores (33)	132.00	−0.7	11.45	5.12	13.41	13.39	131.09	133.09	135.79	134.87	106.89	136.24	52.63	204.39	52.63
22 Textiles (22)	175.93	−0.2	18.53	6.14	9.52	6.93	175.65	175.62	178.94	180.06	113.90	183.19	62.91	253.72	62.66
23 Tobaccos (3)	216.58	−1.1	20.15	6.54	7.58	7.58	218.99	221.16	224.64	223.12	178.72	236.22	109.92	339.16	94.34
24 Toys and Games (6)	67.05	−0.1	20.39	5.93	6.85	6.85	67.14	67.20	67.58	66.96	38.87	67.58	20.92	135.72	20.92
OTHER GROUPS (94)															
25 Chemicals (24)	217.49	+0.6	12.03	4.41	11.49	11.48	216.25	216.78	219.77	219.01	141.01	219.92	73.14	219.92	71.20
26 Office Equipment (10)	93.46	+0.6	14.25	5.54	10.64	10.64	92.93	92.71	95.47	92.36	95.27	104.78	45.34	246.06	45.34
27 Shipping (12)	381.74	+1.3	18.93	6.49	6.76	6.49	376.94	380.83	391.38	390.92	370.31	452.64	194.38	517.00	90.80
28 Miscellaneous (48)	169.39	−0.1	13.91	6.24	10.69	10.58	169.48	170.10	172.22	170.47	125.62	172.73	60.39	258.83	60.39
29 INDUSTRIAL GROUP (496)	160.64	+0.5	13.79	5.44	10.67	10.61	159.74	160.69	163.27	162.04	116.58	164.06	59.19	220.17	59.01
30 OILS (4)	335.17	+1.0	15.01	4.80	7.44	8.66	332.00	333.11	336.86	336.85	229.53	351.71	105.85	431.56	87.28
31 500 SHARE INDEX	176.23	+0.6	13.96	5.35	10.04	9.77	174.24	175.22	177.90	176.76	126.11	178.83	63.49	227.95	[illegible]
32 FINANCIAL GROUP (100)	142.84	+0.7	...	5.00	...	...	141.86	143.81	146.97	145.95	123.38	153.46	56.50	241.41	55.88
33 Banks (6)	168.78	−0.5	17.67	4.95	8.71	8.71	169.33	173.61	176.67	178.52	145.92	192.16	62.56	288.32	62.44
34 Discount Houses (10)	177.47	−0.1	—	6.93	—	—	177.30	179.68	180.86	180.27	148.96	186.52	84.18	293.18	81.40
35 Hire Purchase (5)	129.54	—	—	4.87	—	—	129.54	130.64	132.10	139.66	107.88	134.39	42.81	433.72	38.83
36 Insurance (Life) (9)	128.91	+0.7	—	5.30	—	—	128.01	128.01	128.72	127.12	102.61	129.46	44.88	194.46	44.88
37 Insurance (Composite) (7)	112.05	+2.8	...	6.12	—	—	108.99	110.14	112.07	112.46	86.67	123.90	44.47	155.76	43.96
38 Insurance (Brokers) (9)	231.06	−0.1	8.82	4.02	17.11	17.11	230.89	231.30	232.51	228.72	165.85	232.51	68.96	262.37	65.86
39 Merchant Banks (17)	89.97	+0.9	...	6.19	...	—	89.11	90.09	90.45	90.42	87.71	94.97	31.21	278.57	31.21
40 Property (32)	180.13	−0.1	2.58	2.68	72.89	67.83	180.39	183.09	187.01	185.78	190.86	241.22	88.19	357.40	56.01
41 Miscellaneous (6)	87.99	−0.7	14.60	6.15	10.74	10.74	88.62	89.40	90.08	89.51	67.58	91.98	34.78	303.13	35.29
42 Investment Trusts (50)	166.14	−1.2	3.14	4.34	33.90	32.97	168.10	168.89	171.15	171.40	141.85	184.55	73.43	246.79	71.63
43 ALL-SHARE INDEX (650)	166.78	+0.5	—	5.23	—	—	165.95	167.12	169.65	168.83	125.36	172.64	62.16	228.18	61.92
COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44 Rubbers (9)	450.25	−0.5	14.23	7.46	10.78	10.76	452.66	453.60	459.40	457.52	427.41	525.43	281.66	565.37	84.68
45 Teas (9)	123.47	−0.1	35.66	8.43	4.11	4.09	125.56	123.21	123.30	123.30	86.33	126.91	76.76	126.91	59.72
46 Coppers (3)	202.74	−4.5	48.75	8.48	2.05	2.05	212.19	216.93	222.58	230.15	421.44	467.74	208.74	567.78	94.08
47 Mining Finance (11)	89.15	−2.1	13.26	5.64	8.52	8.52	91.02	92.31	95.30	98.35	114.01	141.54	80.58	176.90	66.31
48 Tins (8)	94.59	−1.2	13.22	9.55	10.79	10.13	95.74	96.51	96.82	97.39	91.44	114.49	58.91	125.43	54.83
49 Overseas Traders (13)	232.75	−0.3	14.51	4.41	9.00	8.99	232.02	235.48	235.93	235.81	188.23	252.23	97.37	252.23	97.37

FIXED INTEREST	Tues., March 2 Index No.	Yield %	Monday March 1	Friday Feb. 27	Thurs. Feb. 26	Wed. Feb. 25	Tuesday Feb. 24	Monday Feb. 23	Friday Feb. 20	Year ago (approx.)	1975/76 High	1975/76 Low	Since Compilation High	Since Compilation Low
1 Consols 2½% yield		13.72	13.62	13.70	13.60	13.69	13.68	13.77	13.85	14.62				
2 20-yr. Govt. Stocks (6)	50.16	12.98	50.40	50.95	51.19	50.89	51.01	50.82	50.42	48.15	53.46	38.27	115.42	32.27
3 20-yr. Red. Deb. & Loans (15)	50.44	14.66	50.51	50.60	50.58	50.63	50.68	50.58	50.75	45.80	51.46	37.21	114.83	37.01
4 Investment Trust Prefs. (15)	49.99	13.85	49.99	50.08	50.02	50.13	50.13	49.80	50.80	42.95	51.25	33.36	114.41	34.45
5 Coml. and Indl. Prefs. (20)	68.91	13.81	68.91	68.56	68.61	68.54	68.47	68.40	68.81	62.47	[illegible]	[illegible]	[illegible]	[illegible]

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	10/1/70	164.75	Insurance Brokers	29/12/67	96.67
Toys and Games	16/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	16/1/70	128.20	All Others	10/4/62	100.00
Industrial Group	31/12/70	128.20	† Redemption yield.		

Calculated by Exel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A new list of the constituents of the FT-Actuarial Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 20p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975/6 high	1975/6 low
Cons. Gold Fields	25p	18	136	−7	290	134
Lloyds Bank 'New'	Nil/pd.	16	22*	−1	38*	19*
BSR	10p	13	123	+8	124	20
ICI	£1	13	383	+2	387	118
De Beers Defd.	R0.05	12	203	−14	335	161
Burmah Oil	£1	11	51	+1	100	27
GKN	£1	11	327	+11	327	95
Shell Transport	25p	11	382	+4	404	118
Stand. Chart. 'New'	Nil/pd.	11	29*	—	42*	28½*
Tnr. & New'll 'New'	Nil/pd.	11	14*	+3	19*	10*
Unilever	25p	11	432	+14	462	170
Brit. Leyland	50p	10	36	+1	57	20
Grand Met.	50p	10	84	+1	88	17½
Royal Insurance	25p	10	328	+12	342	106
Distillers	50p	9	144	—	132	65½

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Mar. 2	Mar. 15	May 17	Jun. 9
Mar. 16	Mar. 29	Jun. 10	Jun. 22
Mar. 30	Apr. 12	Jun. 24	July 6

"Calls" were taken out in Burmah Oil, Charterhall Finance, Lonrho, ICI, London and Northern Securities, Electrical Industrial Securities, Kwik Save Discount, Mather and Platt, Swan Hunter, Town and City, Rio Tinto-Zinc, British Rollmakers, Glass and Metal, International Computers, Robb Caledon, Aaronson Bros. and Imperial Group. No "puts" were reported, while "doubles" were arranged in Burmah Oil, Freshbake and Westward TV.

Industrials [illegible]		[illegible]		[illegible]		[illegible]	
Courtaulds	11	Marks & Spencer	10	Cap Counties	5½	Kloof	100
Debenhams	8	Midland Bank	22	E.P.	8	Lonrho	12
Distillers	15	Nat West Bank	30	Land Securities	18	Loraine	55
Dunlop	7½	"Shell" Warrants	10	MEPC	10	Presidon	55
Eagle Star	13	P & O Dfd.	11	Peachey	4½	Pres. Steyn	200
E.M.I.	17	Plessey	8	Town & City	3½	Rio T. Zinc	17
Gen. Accident	16	R.H.M.	6	Town & Comm.	4	Welkom	55
Gen. Electric	15	Rank Org. 'A'	18			West Areas	40
Glaxo	35	Reed Int'l.	23	Oils		Western M'ng.	18
Grand Met.	7	Rothmans	4	Brit. Petroleum	40		
I.C.I.	17	Slater Walker	4½	Burmah Oil	7		

NEW HIGHS AND LOWS FOR 1975/76

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained New Highs and Lows for 1975-76.

NEW HIGHS (46)

COMMONWEALTHS (1)
Australia 6pc 1974-76

AMERICANS (1)
Cummins Eng.

CINEMAS (1)
HTV

STORES (3)
Brown (N.) Raybeck
Status Discount

ELECTRICALS (5)
Allied Insulators Cohen Bros.
BSR Utd. Scientific
EMI

ENGINEERING (13)
British Steam Spec. Senior Eng.
Dennis (J. H.) Shakespeare (J.)
Eva Inds. Staveley Inds.
GKN Weir
IMI Whessoe
Morris [illegible]
Rotork

HOTELS (1)
IOM Enterprises

INDUSTRIALS (9)
Diploma Inv. Nathan (B. and I.)
Dobson Park Sharna Ware
Ewer (G.) Unicorn Inds.
Gibbons Dudley Wilson & Newton
Granada A

INSURANCE (1)
Matthew Wrightson

MOTORS (3)
Bluemel Bros. Dunlop
Braid

PROPERTY (2)
Carding Estates & Agency

TEXTILES (3)
Foster (J.) Youghal
Vita-Tex

TRUSTS (3)
Camellia Inv. Martin (R. P.)

OVERSEAS TRADERS (1)
Gill and Duffus

NEW LOWS (67)

BRITISH FUNDS (1)
Treasury 12½pc 1993 A

AMERICANS (1)
Norton Simon Inc.

BANKS (1)
Trust Bank of Africa

ENGINEERING (1)
Grangers

PROPERTY (1)
Sarec

SOUTH AFRICANS (2)
Hulett's Corp. SA Breweries

TEXTILES (1)
Snia Viscosa

TRUSTS (3)
FUGIT Robeco
New Court European

TEAS (1)
Tea Corp.

MINES (53)
[illegible]
East Drie Middle Wit.
Elsburg New Wit.
Hartebeest Rand Selection
Kloof Gold Sentrust
Southvaal Union Corp.
Stilfontein De Beers 40pcPf.
Vaal Reefs Lydenburg
Venterspost Waterval
Western Drie. Coronation Synd.
Western Areas Falcon
Western Deep Zam. Copper
Zandpan Mount Lyell
Free State Dev. Western Mining
FS Geduld

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	—	[illegible]	[illegible]
Corpns. Dom. and Foreign Bonds	5	[illegible]	[illegible]
Industrials	236	[illegible]	[illegible]
Financial and Prop.	45	[illegible]	[illegible]
Oils	6	[illegible]	[illegible]
Plantations	—	[illegible]	[illegible]
Mines	3	[illegible]	[illegible]
Recent Issues	11	[illegible]	[illegible]
Totals	[illegible]	[illegible]	[illegible]

BASE LENDING RATES

Allied Irish Banks Ltd.
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Banco de Jerez
Bank of Cyprus
Bank of N.S.W.
Banque du Rhone S.A.
Barclays Bank
Barnett, Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Canada Permanent AFI
Cayzer, Bowater Co. Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Co-operative Bank
Corinthian Securities
Credit Lyonnais
G. R. Dawes
Duboff Brothers
Duncan Lawrie
English Transcont.
First London Secs.
■ Antony Gibbs
Goode Durrant Trust
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
Hawtin & Partners
■ Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Industrial Bank of Scot.
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Merc'tile Corpn.
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Northern Comm. Trust
Norwich General Trust
Portman Guaranty
P. S. Refson & Co.
Rossminster Accept'ces
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard Chartered
Thames Guaranty
Trade Development Bk.
Twentieth Century Bk.
United Bank of Kuwait
Whiteaway Laidlaw
Williams & Glyn's
Yorkshire Bank

■ Members of the Accepting Houses Committee.

* 7-day deposits 5½%, 1-month deposits 5¾%.

† 7-day deposits on sums of £10,000 and under 5½%, up to £25,000 6¼%, over £25,000 6½%.

‡ Demand deposit 5%.

¶ Call deposits over £1,000 5½%.

CORAL INDEX
Close 406-411

I.G. INDEX
GOLD 129½-132½

INSURANCE BASE RATES

† Atlantic Assurance ... [illegible]
Cannon Assurance ... [illegible]
† Address shown under Insurance and Property Bond Table.

MONEY MARKET

Full credit supply

Bank of England Minimum Lending Rate 9¼ per cent. (since February 27, 1976)

DAY-TO-DAY credit was in good supply in the London money market yesterday, and the authorities sold a moderate amount of Treasury bills to absorb surplus funds. The market was helped by large bank balances carried forward, and an excess of Government disbursements over revenue transfers to the Exchequer. On the other hand there was a net take-up of Treasury bills, an increase in the note circulation, and the repayment of Monday's large advances. Discount houses paid 8 to 8¼ per cent. for secured call loans in the early part, but funds were available at 5 to 6 per cent. by the close.

In the inter-bank market overnight loans commanded 8½ to 8¾ per cent. at the start, and rates drifted during the day to 5 to 5½ per cent. before picking up at the close to 7½ to 8½ per cent. Short-term fixed period interest rates recorded mixed changes with the one-month sterling certificate yield easing to 8¾ to 8⅝ per cent. from 8⅞ to 8{13/16} per cent. and the nine-month improving to 9⅛ to 9{5/16} per cent. from 9⅜ to 9¼ per cent.

Rates in the table below are nominal in some cases.

Mar. 2 1976	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposit	Treasury Bills ◆	Bank Bills ◆	Fine trade Bills ◆
Overnight	—	5-8½	[illegible]	—	—	—	9¼-10	[illegible]	—	—
2 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days or 7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* Local authority and finance houses seven days' notice, others seven days' fixed. [illegible]

AUTHORISED UNIT TRUSTS

Bridge Talisman Fd. Mgrs.♥ (a)(c)

The British Life Office Ltd.♥ (a)

Brown Shipley & Co. Ltd.♥

Canada Life Unit Tst. Mngrs. Ltd.♥

Capel (James) Mngt. Ltd.♥

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)

Charterhouse Japhet♥

Confederation Funds Mgt. Ltd.♥ (a)

Cosmopolitan Fund Managers.

Crescent Unit Tst. Mgrs. Ltd. (a) (g)

Discretionary Unit Fund Managers

Equitas Secs. Ltd. (a) (g)

Equity & Law Un. Tr. M.♥ (a)(b)(c)

Framlington Unit Mgt. Ltd.♥

Friends' Provdt. Unit Tr. Mgrs.♥

G.T. Unit Managers Ltd.♥

G. & A. Trust (a) (g)

Gartmore Fund Managers♥(a)(g)

2, St. Mary Axe, EC3A 8BP. 01-283 3531

Gibbs (Antony) Unit Tst. Mgs. Ltd.

Govett (John)♥

Grieveson Management Co. Ltd.

Guardian Royal Ex. Unit Mgrs. Ltd.

Henderson Administration♥

Hill Samuel Unit Tst. Mgrs.♥ (a)

Intel.♥ (a) (g)

Ionian Unit Tst. Mngmt. Ltd.♥

Key Fund Managers Ltd. (a) (g)

Kleinwort Benson Unit Managers♥

L & C Unit Trust Management Ltd.♥

Lawson Securities Ltd.♥(a)(c)(g)

Legal & General Tyndall Fund♥

18, Canynge Road, Bristol.

Leonine Administration Ltd.

20 Throgmorton Street, EC2N 2AN 01-236 1171

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥(a)

Lloyd's Life Unit Tst. Mngrs. Ltd.

London Wall Group

M & G Group♥ (y) (c) (z)

Three Quays, Tower Hill, EC3R 6BQ.

Manulife Management Ltd.♥

Mercury Fund Managers Ltd.

Midland Bank Group Unit Tst. Mngrs. Ltd.

Minster Fund Managers Ltd.

Mutual Unit Trust Managers♥(a)(g)

15, Copthall Ave., EC2R 7BU. 01-606 4803

National Provident Inv. Mngrs. Ltd.♥

48, Gracechurch St., EC3P 3HH 01-623 4200

National Westminster♥ (a)

NEL Trust Managers Ltd. ♥ (a)(g)

Milton Court, Dorking, Surrey.

New Court Fund Managers Ltd. (a) (g)

Norwich Union Insurance Group

P.O. Box 4, Norwich, NR1 3NG.

Oceanic Managers (a) (g)

Pearl Trust Managers Ltd. (a) (g)

252 High Holborn, WC1V 7EB

Pelican Units Admin. Ltd. (g)(x)

Perpetual Unit Trust Mngmt.♥ (a)

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)

Practical Invest. Co. Ltd.♥(y)(c)

Provincial Life Inv. Co. Ltd.♥

(c)Prudl. Unit Tst. Mngrs.♥(a)(b)

Holborn Bars, EC1N 2NH. 01-405 9222

Quilter Management Co. Ltd.♥

The Stk. Exchange, EC2N 1HP. 01-600 4177

Reliance Unit Mgrs. Ltd.♥

Reliance Hse., Tunbridge Wells, Kt. 0892 22271

Ridgefield Management Ltd.

Rothschild & Lowndes Mgrs. Ltd. (a)

Rowe & Pitman Management Ltd.♥

Royal Tst. Can. Fd. Mgrs. Ltd.

Save & Prosper Group(a)

Ebor Securities Limited♥

Save & Prosper Secs.♥

Scotbits Securities Ltd.♥

J. Henry Schroder Wagg & Co. Ltd.♥

Scottish Equitable Fnd. Mgrs. Ltd.♥

Sebag Unit Tst. Managers Ltd.♥ (a)

PO Box 511, Bcklbry. Hse., E.C.4. 01-236 5000

Security Selection

Slater Walker Tst. Mgmt. (a) (g)

Stewart Unit Tst. Managers Ltd. (a)

Sun Alliance Fund Mngt. Ltd.

Target Tst. Mngrs. Ltd.♥(a)(g)

Target Tst. Mgrs. (Scotland) (a)(b)

19, Athol Crescent, Edin. 3.

Trades Union Unit Tst. Managers ♥

100, Wood Street, E.C.2.

Transatlantic and Gen. Secs. Co.♥

See also Grieveson Management

Trident Trusts(a)(g)

Schlesinger Trust Managers Ltd.

Tyndall Managers Ltd.♥

18, Canynge Road, Bristol.

Tyndall Nat. and Comm.♥

TSB Unit Tst. Managers Ltd.♥ (y)

Ulster Bank♥ (a)

Unit Trust Account & Mgmt. Ltd.

Wieler Growth Fund

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.

Albany Life Assurance Co. Ltd.

AMEV Life Assurance Ltd.♥

Atlantic Assurance Co. See under Property Growth Ass.

Barclays Life Assur. Co. Ltd.

Beehive Life Assur. Co. Ltd.♥

For "Brandts Ltd." see "Lloyds Bk. Unit Tst. Mngrs."

Canada Life Assurance Co.

Cannon Assurance Ltd.♥

Capital Life Assurance♥

Charterhouse Japhet Life Ass. Co. Ltd.♥

The City of Westminster Assur. Soc.♥

The City of Wminster Ass. Co. Ltd.♥

Westminster Managed Fund

Commercial Union Group

Confederation Life Insurance Co.

Cornhill Insurance Co. Ltd.

Credit & Commerce Insurance

Crescent Life Ass. Co. Ltd.

Crusader Insurance Co. Ltd.

Eagle Star Insur/Midland Ass.

General Portfolio Life Ins. Co. Ltd.♥

Growth & Sec. Life Ass. Soc. Ltd.♥

Guardian Royal Exchange

Hambro Life Assurance Limited ♥

Hearts of Oak Benefit Society

Hill Samuel Life Assur. Ltd.

Imperial Life Ass. Co. of Canada

The Individual Life Ins. Co. Ltd.♥

Investment Annuity Life Assur.♥

Irish Life Assurance Co. Ltd.

King & Shaxson Ltd.

Langham Life Assurance Co. Ltd.

Life & Equity Assurance♥

Life Assur. Co. of Pennsylvania

Lloyds Bk. Tst. Mngrs. Ltd.

Lloyds Life Assurance♥

M & G Group♥

Magna Assurance Company Ltd.

Merchant Investors Assurance♥

NEL Pensions Ltd.

New Court Property Fund Mngrs. Ltd.

New Zealand Ins. Co. (U.K.) Ltd.

NPI Pensions Management Ltd.

Norwich Union Insurance Group

Oakhill Assurance Ltd.♥

Phoenix Assurance Co. Ltd.

Prop. Equity & Life Ass. Co.♥

Property Growth Assur. Co. Ltd.♥

Prudential Pensions Limited♦

Reliance Mutual

Royal Insurance Group

Save & Prosper Group♥

Sayeguard Assurance Limited♥

Schroder Life Group♥

Scot. Widows' Fnd. & Life Ass. Soc.

Slater Walker Insurance Co. Ltd.

Sun Life of Canada (U.K.) Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

Tyndall Group♥

Vanbrugh Life Assurance♥

Welfare Insurance Co. Ltd.♥

Windsor Life Assur. Co. Ltd.

OFFSHORE AND OVERSEAS FUNDS

Alsace Arbuthnot (C.I.) Limited.

Australian Selection Fund NV

Banque Bruxelles Lambert

Bk. of London & S. America Ltd.

Barclays Unicorn Int. (Ch. Is.) Ltd.

Barclays Unicorn Int. (I. O. Man) Ltd.

Butterfield Management Co. Ltd.

Bridge Management Ltd.

Capital International S.A.

Charterhouse Japhet

Cornhill Ins. (Guernsey) Ltd.

Darling Management Ltd.

Delta Group

Dreyfus Intercontinental Inv. Fd.

Eurosyndicat Group

F. & C. Mgmt. Ltd. Inv. Advisers

Fidelity Mgmt. & Res. (Bda.) Ltd.

F.I.R.S.T. Managers Ltd.

Free World Fund Ltd.

G.T. Management Ltd. Ldn. Agts.

G.T. Management (Asia) Ltd.

Hambros (Guernsey) Limited

Hapat Management Ltd.

Oliver Heath and Co. (IoM and Gib.)

Hill-Samuel & Co. (Guernsey) Ltd.

Hill Samuel Overseas Fund S.A.

International Pacific Inv. Mngt. Ltd.

J.E.T. Managers (Jersey) Ltd.

Jardine Fleming & Co. Ltd.

For "Jersey Savings Bank" see "TSB Unit Trust Managers"

Kemp-Gee Management Jersey Ltd.

Keyselex Mngt. Jersey Ltd.

King & Shaxson Mgrs. (Jersey) Ltd.

Kleinwort Benson Ldn. Agts.

Lamont Investment Mngt. Ltd.

Lloyds Bk. (C.I.) U/T Mgrs.

Lloyds International Mgmnt. S.A.

M & G Group (z)(c)(y)

Samuel Montagu Ldn. Agts.

Murray, Johnstone (Inv. Adviser)

Negit S.A.

Negit Ltd.

Neptune Intnl. Fnd. Mgrs.

Old Court Fund Mngrs. Ltd.

Old Court Commodity Fd. Mgrs. Ltd.

Save & Prosper (Jersey) Ltd.

Ebor Management Ltd.

Schlesinger Fnd. Mgrs. (Jersey) Ltd.

J. Henry Schroder Wagg & Co. Ltd.

Singer & Friedlander Ldn. Agents

Slater Walker Ins. Co. (C.I.) Ltd.

Slater Walker (Jersey)

Surinvest Copper Trust Mngrs. Ltd.

TSB Unit Trust Managers (C.I.) Ltd.

Target Trust Mgrs. (Cayman) Ltd.

Tokyo Pacific Holdings N.V.

Tokyo Pacific Hldgs. (Seaboard) N.V.

Tyndall Group 0534 37331

United States Tst. Intl. Adv. Co.

S. G. Warburg & Co. Ltd.

Warburg Invest. Mngt. Jrsy. Ltd.

1 Charing Cross, St. Helier, Jsy. C.I. 0534 23041

CMF Ltd. Feb. 28	$US10.66	10.94	.....	—
CMT Ltd. Feb. 28	£10.53	10.80	.....	—
Metals Tst. Feb. 19	£9.72	9.96	.....	—
TMT Feb. 12	$US10.04	11.55	.....	—
TMT Ltd. Feb. 12	£11.34	11.65	.....	—

World Wide Growth Management♦

10a, Boulevard Royal, Luxembourg.

Wrld. Wide Gth. Fd.	$US12.14	−0.17	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. § Guernsey yield. # Suspended. ☆ Single premium insurance bonds.

REGIONAL MARKETS

COMPANY NOTICES

ART GALLERIES

CLUBS

PERSONAL

MOTOR CARS

CONTRACT HIRE

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 40% (based on $2.0240 per £)

Conversion factor 0.6842 (0.6768)

CANADIANS

[illegible]

S.E. List Premium 40.2% (based on $2.0070 per £)

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

هكذا من الأصل

هكذا من الأصل

INDUSTRIALS—Continued

††INSURANCE

PROPERTY—Continued

TRUSTS—Continued

TRUSTS—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
49	24½	Anglo-Ind'n'an	48	−1	2.5	2.4	8.0
40	17	Bertam Con. 10p	39	......	1.51	1.2	6.0
67	46	Bradwall 10p	67	......	2.01	2.9	4.6
90	56	Castlefield 10p	87	......	2.06	3.2	3.6
31	17	Chersonese 10p	25	......	1.03	2.2	6.3
65	35	Cons. Plants 10p	59	......	5.00	0.8	7.6
36½	23½	Gadek Malay 10p	31xc	......	—	—	—
58	29	Golden Hope 10p	52	......	1.97	3.5	5.8
8	5½	Grand Central 10p	6½	......	d0.5	1.7	12.8
237½	108½	Guthrie £1	185	−2	‡h11.0	0.8	‡
57	33	ΔHighlands M50c	41	−1	‡1.45	1.1	‡
54	24	Kuala Kepong M$1	39xd	−1	†Q10c	1.2	4.5
34	17	ΔKulim 50c	28	−2	†1.36	1.6	7.4
58	29	Ldn.Asiatic 10p	47	......	†2.1	4.1	6.9
33½	20¾	Ldn.Sm'tra 10p	32	......	1.1	1.6	5.3
40	12	ΔMalakoff M$1	34	−1	Q4.0	ϕ	11.8
8	6	Malayalam 10p	6	......	0.35	ϕ	9.0
66	39	Muar River 10p	49	......	1.41	1.7	4.4
53	29	Pataling 10p	47	−½	†2.09	2.8	6.8
42	28	Plantat'n Hgs. 10p	34½	......	1.63	2.1	7.3
£12½	725	Sungei Krian £1	£10	......	31.15	2.6	3.2

TEAS

India and Bangladesh

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
108	63	Assam Dooars £1	108	......	7.74	5.6	11.0
106	58	Assam Fron'r £1	106	......	7.15	4.2	10.4
49	34	Assam Invs. £1	46	......	t3.3	5.3	11.3
100	55	British Indian £1	100	......	4.7	1.3	7.5
270	135	Cessnock £1	240	......	ϕ	—	—
415	100	Cons.Tea&Land£1	330	......	ϕ19.5	b4.3	9.1
8¾	3	Empire Plant 10p	4¾	......	0.65	4.1	21.1
126	90	Jokai £1	119	......	7.15	4.6	9.2
75	41	Longbourne £1	75	......	3.5	6.5	7.2
180	48	McLeod Rss l £1	125	......	5.87	b3.1	7.2
103	84	Moran £1	103	......	5.76	6.1	8.6
11½	5½	Singlo Hldgs 10p	7	......	0.78	2.1	17.3
420	210	Teith Hldgs £1	400	......	ϕ8.12	b8.4	3.1
84	56	Warren Tea £1	80	......	g6.43	1.6	12.4
420	161	West Nile Hlds £1	400	....	ϕ13.43	b4.1	5.2
75	60	Williamson £1	72	....	4.5	5.6	9.6

Sri Lanka

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
12½	7½	Central Prov	8	......	0.87	2.2	17.8
58	24	Clairmare 10p	37	......	6.0	ϕ	25.0
54	40	Lunuva £1	51	......	2.95	0.7	9.5
14	4	Tea Corporation	4	−1	0.55	ϕ	21.0

Africa

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
48	31	Bandanga Hldg	39	......	g3.17	2.4	13.0
190	130	Blantyre £1	190	......	15.27	2.8	12.4
160	20	Peacock Sas. 10p	38	......	t2.74	2.9	11.1
50	40	Ruo Estates	44	......	3.95	2.8	13.7

MINES

CENTRAL RAND

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£14¾	250	Durban Deep R1	335	−15	Q20c	ϕ	3.3
£14	315	E. Rand Prp R1	315	−35	Q35c	ϕ	6.1
105	14	Rand Leases 2½c	25	......	—	—	—
£34½	£11	Randf'tn Est. R2	£11	−¼	—	—	—
500	93	West Rand R1	93	−2	Q10c	ϕ	5.9

EASTERN RAND

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
370	160	Bracken R1	162	−8	Q52c	1.0	17.7
23	5	Daggafontein 50c	6	....	—	—	—
105	12	East Dag R1	18	−1	—	—	—
140s	£	Grvl. Areas 5c	140s	....	—	—	—
380	80	Grootvlei 30c	80	−8	Q20c	ϕ	13.8
620	330	Kinross R1	330	−15	Q54c	1.4	9.0
90	49	Leslie 70c	49	−2	Q18c	1.4	20.3
550	115	Marievale 70c	115	−5	Q42c	ϕ	20.2
725	125	S. African Ld. 35c	130	−5	Q30c	ϕ	12.8
265	65	Vlakfontein R1	65	−7	Q20c	ϕ	17.0
£13¾	570	Winkelhaak R0	570	−35	Q108	1.1	10.5
120	25	Wit. Nigel 25c	25	−1	—	—	1.4

MINES—Continued

FAR WEST RAND

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£11	450	Blyvoor 25	450	−20	‡Q100c	1.3	‡
£21½	£10⅛	Buffels R1	£10⅛	−⅛	Q180c	1.4	9.9
430	124	Doelkraal R0.20	124	−2	—	—	—
£14¼	460	Doornfontein R1	460	−15	‡Q110c	1.4	‡
£12¾	700	East Drie R1	700	−10	Q75c	ϕ	5.9
380	180	Elandsr'd Gld Mng 20c	180	−10	—	—	
450	130	Elsburg R1	130	−13	Q33.8c	ϕ	14.4
£31	£12¼	Hartebeest R1	£12¼	−¼	Q215c	1.4	9.7
£13¾	490	Kloof Gold R1	490	−30	Q55c	2.4	6.2
£17¾	465	Libanon R1	470	−20	‡Q110c	1.9	‡
£13¾	355	Southvaal 50c	355	−30	Q8c	ϕ	1.2
480	170	Stilfontein 50c	170	−8	Q36c	ϕ	11.7
£33¼	£14¾	Vaal Reefs 50c	£14¾	−½	Q175c	ϕ	6.5
£11½	255	Venterspost R1	255	−15	‡Q70c	1.9	‡
£55	£24	W. Drie R1	£24	−1	†Q485c	1.2	†
745	205	W'st'rn Areas R1	205	−10	Q52c	ϕ	14.0
£23	£10¾	Western Deep R2	£10¾	−½	Q147½c	ϕ	7.6
536	210	Zandpan R1	210	−10	Q35½c	1.0	9.4

O.F.S.

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
400	85	Fr. State Dev. 50c	85	−5	Q14c	1.6	9.1
£32¾	£17¼	F.S.Geduld 50c	£17¼	−¾	330c	1.3	10.6
265	72	F.S. Saaiplaas R1	72	−5	Z6c	2.6	4.6
960	365	Harmony 50c	365	−15	Q77c	1.8	11.7
575	90	Loraine R1	90	−10	Q6c	0.5	3.7
£28¾	£14½	Pres. Brand 50c	£14½	−¼	Q250c	1.3	9.5
£25¾	862½	Pres. Steyn 50c	862½	−37½	Q125c	2.2	8.0
£39¾	£17	St. Helena R1	£17	−1	Q250c	1.2	8.1
340	106	Unisel	106	−9	—	—	—
525	245	Welkom 50c	290	−10	Q55c	1.7	10.5
£40	£21¼	W.Holdings 50c	£21¼	−1¼	Q475c	1.2	13.0

FINANCE

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
520	257	Ang. Amer. 10c	257	−7	Q33c	ϕ	7.4
£45½	£21½	Ang. Am. Gold R1	£21½	−1	Q260c	ϕ	6.7
£26¼	850	Ang-Vaal 50c	900	−25	†Q95c	3.7	4.2
205	87	Charter Cons	136	−2	−6.21	2.2	7.0
290	154	Cons. Gold Fields	156	−7	6.7	4.3	6.6
32	17	E. Rand Con. 10p	17½	−½	0.92	1.4	8.1
435	200	Geduld Inv. R1	200	−10	Q40c	1.5	11.1
£38¼	£16½	Gen. Mining R2	£16½	−½	tQ210c	2.1	7.0
£39	£15¼	G. Fields S.A. 25c	£15¼xd	−¼	Q225c	1.3	8.1
£27¼	£12	Jo'burg Cons R2	£12½	......	Q165c	2.5	7.4
530	245	Middle Wit 25c	245	−5	†Q28c	2.0	6.3
315	173	Minorco $BD1.40	174	−2	‡Q14c	—	‡
305	93	New Wit 50c	93xd	−2	Q20c	1.6	11.9
£11	710	Patino NV Fls.5	810	..	QC40c	10.5	2.4
£11	510	Rand Selection 50c	510	−15	Q75c	1.5	8.1
695	320	Selection Trust	470	−5	14.0	2.0	4.6
450	143	Sentrust 10c	143	−12	Q30c	1.2	11.6
81	27	Silvermines 2½p	60	......	‡a4.0	1.6	‡
170	95	SW Africa 20p	120	......	17.87	2.0	22.9
£14	560	T'vaal.Cons.Ld.R1	750	−100	Q65c	2.0	4.8
475	180	U.C. Invest R1	183	......	Q36c	1.0	10.9
580	265	Union Crp. 6.25c	265	−5	Q42c	ϕ	9.1
105	30	Vogels 2½c	50xd	−5	†Q6c	1.0	6.6

DIAMOND AND PLATINUM

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£35	£15¼	Anglo-Am.Inv.50c	£19	−½	Q290c	1.0	8.4
146	48	Bishopsgate Plt. 10c	68	−4	†Q4.5c	ϕ	3.7
335	161	De Beers Dfd. 5c	203	−14	Q25c	2.2	6.8
£17	£10	Do. 40pc Pf. R5	£10	−1	110	125.5	10.8
152	69	Lydenburg 12½c	69	−1	Q2.9c	1.5	2.3
248	100	Pot. Plat. 2½c	108	−5	Q5c	1.0	2.6
212	90	Union Plat. 10c	90	−2	Q4.9c	1.0	3.0
212	88	Waterval 3c	88	−2	Q5.2c	1.0	3.3

CENTRAL AFRICAN

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
345	98	Coronation 25c	98	−2	Q34c	2.1	19.2
250	100	Falcon Rh.50c	100	−5	tQ35c	1.3	—
52	28	Globe Phnix 12½p	28	......	1.25	0.2	6.9
24	14	Rho-Corp. 16½p	15	......	Q5	8.0	5.6
440	150	Roan Cons. K4	150	......	‡Q16.0	4.7	‡
230	92	Tanganyika 50p	160	+6	‡Q26	1.2	‡
75	60	Do. Pref. 80p	65	......	Q9	18.0	11.6
48	26½	Wankie Col. Rh.1	28	−2	Q6½c	1.3	10.0
70	30	Zam.Cpr.$BD0.24	30	−2	Q1.90	3.2	6.3

AUSTRALIAN

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
28	10	Acmex 25c	19	−1	—	—	—
149	95	A. M. and S. 50c	138	−5	Q7c	ϕ	2.9
122	74	Bougainville 50c	107	−2	Q10c	ϕ	5.4
242	145	BH South 50c	150	−5	—	—	—
215	40	Gold M.Kalg.$1	40	......	—	—	—
137	58	Hamptn Areas 5p	58	......	1.18	4.2	3.1
115	30	Metals Ex. 50c	38	−2	—	—	—
43	14	Metramar 20c	15	......	—	—	—
246	117	M.I.M. Hldgs. 50c	202	−2	‡Q10c	1.8	‡
135	75	M. Lyell 25c	75	−5	‡Q5c	2.4	‡
3	1½	Newmetal 10c	2½	......	—	—	—
169	102	North B. Hill $1	138	−4	Q9c	1.4	3.7
16½	6	North Kalg. 30c	6	......	—	—	—
88	47	Oakbridge $A0.	65	−4	†Q8c	0.9	7.1
21	8	Pacific Copr. 25c	15	−1	—	—	—
£19½	220	Pancont'l 25c	£11	+¼	—	—	—
25	9	Paringa M&Ex.5p	15	......	—	—	—
535	235	Peko-Walls'd 50c	475	−5	Q15c	ϕ	1.8
345	140	Poseidon 20c	140	......	—	—	—
26	8	Vultan Min. 50c	12	......	—	—	—
9	4	Westmex 10c	5	......	—	—	—
214	135	W. Mining 50c	135	−4	‡Q8c	0.8	‡
54	24	Whim Creek 20c	36	......	—	—	—

TINS

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
56	32	Amal. Nigeria	38	−2	5.62	1.6	†
198	77	Ayer Hitam	193	−2	13.0	1.8	10.4
36	10	Beralt Tin	27	+2	21.75	—	10.0
424	268	Berjuntai SM25	325	−5	‡Q$M2	ϕ	‡
18	13	Ex Lands 10p	14	......	15	3.8	16.5
246	153	Geevor	180	......	‡12	2.3	‡
18	8	Gold & Base 12½p	11	......	—	—	—
288	157	Gopeng Cons.	190	......	11.0	ϕ	8.9
73	55	Hongkong	64	......	—	—	—
70	40	Idris 10p	70	......	6.7	2.2	14.7
11	6	Jantar 12½p	6	......	—	—	—
68	31	Kamunting 15p	35	......	‡7.0	1.2	‡
180	135	Killinghall	180	......	Q50.0	ϕ	27.8
192	106	London Tin 20p	150	−2	7.0	1.3	7.2
220	93	Malay Dredging	190	−3	10.7	2.0	8.7
41	22½	ΔPahang	25	......	Qh2.6	ϕ	16.0
65	40	Pengkalen 10p	55	......	7.0	ϕ	19.6
112	75	Petaling SM1	109	−1	—	—	—
36	8	Saint Piran	32	−2	—	—	—
135	68	South Kinta (10p)	80	..	‡9.5	1.5	‡
180	73	Sthn. Malayan	120	−3	10.7	0.9	13.8
83	31	Sungei Besi 20p	33	....	‡6.0	3.0	‡
43	29	Sungei Wa $M1	32	......	ZQ10	—	5.5
84	40	Tanjong 15p	47	......	4.0	ϕ	13.1
75	46	Tongkah Hb $M1	46	......	Q23%	0.6	9.6
93	42	Tronoh	74	......	†4.02	3.5	8.4

COPPER

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
112	42	Botswana RST R2	48	......	—	—	—
390	180	Messina R0.50	180	......	Q35c	1.9	10.7

MISCELLANEOUS

1975/6 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
10	3	Burma Mine 17½p	9	......	m0.5	—	1.5
65	17	Charterhall 5p	28	......	—	—	—
880	360	Cons. Murch. 10c	580	−20	Q80c	ϕ	7.6
53½	29½	Laurasia	32	−1½	—	—	—
470	200	Northgate C$1	365	−25	tQ25c	1.0	3.8
211	80	R.T.Z.	179	+1	g5.51	4.4	4.7
135	47½	Sabina Inds. C$1	97	−5	—	—	—
81	45	Stanford Mines£	45	......	—	—	—
£12½	874	Tara Explm. $1	£10⅛	−⅛	—	—	—
122	38	Yukon Cons. C$1	100	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance reserve allocations may preclude calculation of dividend cover.
- ♯ Price at time of suspension
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable
- ♠ Same interim. reduced final and/or reduced earnings indicated.
- § Based on 1973 profits
- ƒ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment. Cover does not apply to special payment.
A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 17

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

FINANCIAL TIMES
Wednesday March 3 1976

Full go-ahead for Nigg oil refinery

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

THE GOVERNMENT approved yesterday the two-year-old application for a £150m. oil refinery at Nigg, in Easter Ross. It has told the promoter of the project—Cromarty Petroleum, a subsidiary of the New York shipping group National Bulk Carriers—that it must place its design and construction contracts within about 10 months.

If the project goes ahead, it will be only the second refinery to be built in Scotland, after British Petroleum's Grangemouth plant designed to handle 10m. tons of crude a year. Nigg, in the eastern Highlands, would be marginally larger than BP's, which was established in 1924.

The decision by Mr. William Ross, the Secretary of State for Scotland, follows a similar approval given in January by Mr. Anthony Crosland, Secretary for the Environment, for Burmah-Total's Cliffe refineries in Kent.

In both cases the Government has set aside evidence of substantial over-capacity among domestic refinery operators. With U.K. *refineries running at approximately 60 per cent. of capacity,* companies believe that the industry will have considerable excess plant on its hands for several years.

Mr. Ross referred, however, to the Nigg promoter's plan to de*sign its refinery so that it can* operate exclusively on the light oils produced from North Sea fields. It will manufacture *naptha, diesel heating and fuel* oils, and sulphur.

60 per cent. aim

In his decision, Mr. Ross accepts "the absence of an overriding national need" for the project, but emphasises the company's view that there could be a loss to the U.K. if companies transported their North Sea crude to be refined on the Continent. The Government's stated aim is that up to 60 per cent. of oil produced from the U.K. sector of the North Sea should be refined in this country.)

Mr. Ross also underlined the company's expectation that the existence of an indpendent refiner of North Sea crude would give additional flexibility to independent offshort producers. "It would be a very serious step," he said. "To turn away a development of this kind in an area already identified as an area of industrial growth."

Mr. Ross did not accept the finding of Mr. G. W. Maycock, the Reporter whose two-month inquiry heard 500 objections to the scheme, that present and planned U.K. refinery capacity was sufficient to meet foreseeable *home demand for products well into the 1980s,* and that Cromarty Petroleum had established no home or export need *for its products.*

The decision was welcomed by the Highland Regional Council. It hopes that the project's 400 permanent jobs will bring an element of stability to the local labour market, which has fluctuated wildly as a result of other oil-related enterprises in that area. Unemployment there is 8.2 per cent., compared with 3.5 per cent. last year.

The Scottish Office is clearly anxious now to establish whether the company's interest in the scheme has waned because of the time taken to clear the planning hurdles. Among the 70 conditions imposed on the development by the Minister is a requirement on Cromarty Petroleum to produce a master plan within six months, and an obligation to let design and construction contracts four months after the approval of the master plan.

The company itself stated that it "now looked forward to putting down roots in the Highlands." The Nigg project is the first move into oil refining initiated by National Bulk Carriers.

The parent company's main interest is in crude oil shipping, though it has a wide conglomeration of subsidiary interests—timber, rice-growing, orange groves, coal-mining, insurance and house-building. It operates *in 23 countries, notably in South* America, and employs 20,000 people.

Amoco's Celtic search, Page 9

Reserves boosted by loans

BY MICHAEL BLANDEN

FURTHER substantial foreign borrowings by nationalised industries boosted the U.K.'s official reserves last month.

The reserves rose by $239m. during February to stand at $7.024bn. at the end of the month, but the increase was more than accounted for by net borrowings of $253m. by the public sector.

Mr. Peter Shore, Trade Secretary, yesterday gave an optimistic view of the prospects for Britain's external trade. He commented to the British Overseas Trade Advisory Council on new forecasts from his Department indicating a substantial rise in exports this year.

A survey of 64 major exporting companies showed an expected rise in export volume of some 6 per cent. in the first half of this year and some 20 per cent. in value compared with the same period of 1975.

The reserve figures indicate that there was little underlying change in the total last month. In part, however, this may reflect efforts to limit the month-to-month impact of oil money flows.

It is believed that in January, when there was a sharp increase in reserves as a result of the $1.174bn. drawing on the IMF oil facility, the total disclosed was less than the actual inflow into London. This in turn may have helped to disguise the impact early last month of the sudden $200m. switch out of sterling by Dubai.

Uncertainty

During February, the pound touched new lows in exchange markets, reaching at one stage an effective depreciation of 30.6 per cent., in the backwash from the uncertainty over the lira, the French franc and the European currency "snake."

Over the month as a whole, however, *sterling moved relatively little against the dollar,* and it ended with an effective depreciation of 30.2 per cent. against 29.9 per cent. at the end of January. Yesterday it was unchanged at $2.0240 and a depreciation of 30.1 per cent.

Public-sector borrowings last month totalled $293m. They included loans by the European Coal and Steel Community of $79m. to British Steel and $46m. to the National Coal Board, a $59m. *public note issue by the Gas* Corporation and $40m. lent by the European Investment Bank to British Gas.

EEC Ministers open farm-price negotiations

BY ROBIN REEVES

BRUSSELS, March 2.

AGRICULTURAL Ministers of *the Nine* began their *annual* negotiating marathon here to-day to decide on common EEC farm prices for the coming 1976-77 season.

They hope to agree later this week on a deal which will provide higher price guarantees for *farmers but dearer food* for consumers.

There is a chance, though, that they will not reach agreement *this week. Ministers to-day were* still deeply divided on a number of key issues.

Moreover, they may have to refer back to national capitals to gain approval for a supplementary EEC budget to cover the cost of the settlement. Apart from anything else, the recent slide in the lira has imposed an unforeseen strain on the Common Farm Fund budget. Every 1 per cent. decline in the lira means an extra outlay by Brussels of about £14m. because of the EEC's agri-monetary arrangements.

Wine

That said, hopes rose per*ceptibly this evening, following* a report that considerable agreement has been reached on wine. If this proves so, it will mean an *end to the prolonged Franco-*Italian wine war and the removal of a formidable stumbling block to an eventual agreement.

Mr. Fred Peart, the *Minister* of Agriculture, said as he arrived for the meeting that the proposals tabled by the Brussels *Commission, which envisage an* average 7.5 per cent. rise in farm prices, might raise U.K. food prices by 1p in the £.

"This is *not* very great, but the cost to the housewife is an important priority for me and my colleagues."

A *further 1p in the £ increase* will stem from Britain's transitional step towards full EEC farm price levels by 1978, agreed during the entry negotiations. Britain faces sharp increases in the price of butter (probably up by at least 6p a pound, though EEC subsidies may be used to offset some of the rise) cheese (up 4p a pound) and milk (up 1p a pint).

Such effects were highlighted by the European Bureau of Consumer Associations at the start of the Council here to-day.

The bureau declared that it was not opposed to a CAP which ensured fair incomes to farmers, but present mechanisms were bound to lead to either restricted consumption, because prices *were too high for consumers, or* to the production of greater quantities than were necessary to meet demand.

As the CAP now operates, consumers are penalised twice, it said. As buyers of foodstuffs, they pay a higher price than they should, but as taxpayers they *also* pay the cost of destroying or exporting at lower prices the surplus foodstuffs produced.

This plea on behalf of the consumer did not prevent the French, Irish and Belgian Farm Ministers from pressing later for a substantially higher milk price rise than that proposed by the Commission—a 2 per cent. increase now and a 4.5 per cent. rise next September.

Mr. Peart argued that *the* Commission's proposed milk award was too generous. It did not reflect the gravity of the *situation in the milk sector,* he declared.

Easier access for Turkish exports Page 6

British bid on fishing limits

By Robin Reeves

BRUSSELS, March 2.

THE BRITISH Government is likely to fight for exclusive national fishing rights in a 25- or 30-mile offshore band as part of an EEC common fishery policy, revised to take account *of a UN Law of the Sea Con*ference agreement, later this year to be increased to 200-mile economic zones.

***This was revealed here to-day* by well-informed sources. They stressed that the Government had not yet made up its mind. Hence Mr. James Callaghan's failure to mention a mileage figure of his own in yesterday's EEC Council of Ministers' discussion.**

The Brussels Commission has proposed limiting exclusive fishing rights to 12 miles only, while U.K. fishing industry demands have ranged as widely as from 50 to 100 miles exclusive rights.

Dr. Garret FitzGerald, the Irish Foreign Minister, told reporters here to-day that Ireland would probably bid for a 50-mile exclusive zone, but he, too, stressed no formal decision had been taken.

Iceland proposals, Page 6

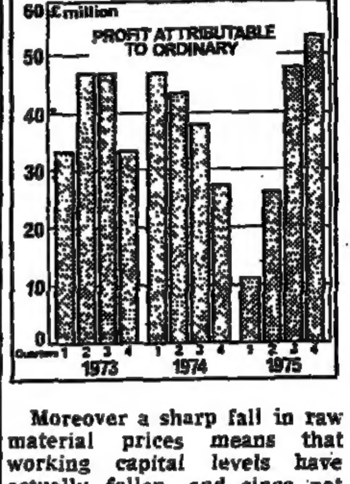
THE LEX COLUMN

Margin gains at Unilever

Index rose 4.3 to 407.1

Unilever's fourth quarter figures point the way to substantial earnings growth in 1976. A pre-tax decline of 49 per cent. after six months has been trans*formed* into a 2 per cent. fall to £326m. for the year; and although currency swings have inflated the total by around *£22m., profits of £98.6m.* in the final three months—which are seasonally not the most important of the year—give an indication of what to expect this time.

Operating profits in Europe were well down for the year as a whole, but a substantial turnround in NV's earnings during the final period shows that edible oils are now moving strongly ahead on the Continent. The chemical and packaging contribution almost disappeared *in 1975, and this side is still* flat. But convenience foods did better, and profits from UAC International may have doubled *to well over a fifth of the group* total, with about half of that coming from Nigeria.



Moreover a sharp fall in raw material prices means that working capital levels have actually fallen, and since net cash flow comfortably covered capital spending over the year, net liquid funds may have risen from £63m. to upwards of £200m. This shows up in *sharply falling interest costs to*wards the end of 1975, and this trend will continue at least through the first half of 1976.

The striking feature is that volume has remained sluggish so far, with sales just 7 per cent. up in the final quarter. Yet operating margins in that period had recovered to 1973 levels, and on this basis it does *not require too much imagina*tion to project upwards of £450m. pre-tax this year. The shares have moved right in line with the market for over a year now, and a yield of 3½ per cent. is an obvious constraint. But the deferred dividend element is now almost equal to a full year's payment, and the possibility of earnings approaching 55p per share this year provides firm support for the shares at 452p, up 14p on the day.

See also Page 17

Cavenham

The Paris market got first details last night of an unbelievably complicated deal which will probably result in control of Cavenham passing to Mr. Goldsmith's French master company, Générale Occidentale. Cavenham currently has a *beneficial interest of about* 58 per cent., in Générale Alimentaire, a large French food business. GO is now bidding for that part of the GA minority (about a fifth) which is at present wholly unrelated to the Goldsmith empire, at a price which capitalises the whole of GA at about £40m. Cavenham then plans to acquire the whole of GO's holding in GA for around 20m. shares, worth £26m. at last night's price. As a result, GO's holding in Cavenham (including the 20 per cent. owned by its Anglo-Continental subsidiary) will rise from 39 to just over 50 per cent.

The official explanation is that the French Government has overcome earlier objections to the *défi anglais,* and that exchange controls prevented a direct share offer. But a deal of this nature will plainly *require detailed study.*

ICI

ICI's traditional reluctance to forecast at the time of publishing its annual report the change of trend in the chemicals in*dustry is clear enough. By the* fourth quarter of 1975 the U.S. was picking up strongly and U.K. production had recovered 11 per cent. from the third quarter in volume terms, though still running somewhat below *average 1974 levels.* The group escaped with an overall volume fall of 7 per cent. in 1975, and in holding the decline in trading profits to under a third it leaned on a very strong performance by the agricultural side and the general chemicals division — these two accounting for 60 per cent. of the total.

Last year's cash flow picture was that depreciation, retentions and deferred tax financed £365m. out of spendi[ng which] fell just short of £500m [com]prising fixed assets of [...] some £45m. of acquisitio[ns and] £116m. of additional w[orking] capital. The balance [was] financed, chiefly, by [...] bond issues. This yea[r's] spending may run to [...] and assuming that pre[-tax pro]fits recover to very [...] £450m. the financing ga[p will] be around £150m. With a [...] still almost £200m. [...] afford to wait for th[e] opportunities; all that [can be] said about the chance [of a] rights issue is that [...] loan gearing was the [...] lowest in five years, wh[ile the] ratio of shareholders' f[unds to] capital employed wa[s the] second highest.

See also Page 17.

BSR

The EMI Scanner ha[s been] almost the only majo[r] product to catch the i[...] imagination over the pa[st year] though the bulls e[ver] thought they had see[n a] similar story yesterday [...] after the worldwide m[...] of its new record turntab[le] shares jumped 8p to 12[...] rise of over a third this [...]

The parallels should n[ot, how]ever, be taken too far. BSR is certainly breakin[g new] ground by aiming at the [...] of the market, the appeal [...] to be limited to the re[...] buffs—and those who [...] switch tracks on a[...] *remote control.* The reta[il price] (without amplifiers or sp[eakers]) will be just under £300 [in the] U.K. and $495 in the [...] market, though so[me] cheaper for variants to be [intro]duced later this year.

BSR plans to produce 5,000 units a week [by the] autumn, compared with [...] weekly in the rest of its [...] This is equivalent to an [...] turnover of perhaps £[...] £25m. and margins sho[uld be] higher than on existin[g pro]ducts. Although no real [contri]bution is expected thi[s year] after writing off £250, [000 or] *more of start-up costs,* t[he] turntable could earn, sa[y ...] to £4m. pre-tax in 197[...] perspective, this compar[es with] external projections o[f] profits around the recor[d] level of £18.4m., agains[t prob]ably half that in 1975 [...] unlike EMI, the new [...] follows a doubling of th[e share] price since last summ[er ...] there is limited apparent [scope] for fresh enthusiasm at p[...]

Courtaulds may not co-operate fully with price-check scheme

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

COURTAULDS, Britain's largest textile manufacturer, is believed to have told some customers that *it may not be able to co-operate* fully with the Government's price-check scheme.

The company, which holds an *estimated 10 per cent. of the* U.K. clothing market, is understood to have told retailers that it cannot guarantee to limit price rises to *5 per cent.* until July, despite the fact that many of its products are included on the list for price restraint.

The price limitation exercise is intended to be voluntary, but a decision by Courtaulds not to co-operate would considerably weaken the scheme's coverage of clothing and might dissuade other textile manufacturers from participating.

Courtaulds declined to comment last night, but behind their attitude is believed to be the view that with textile markets depressed for the past year and heavily penetrated by cheap imports, *the flexibility to increase* prices must be retained.

The company pointed out that contracts with its customers *were negotiated individually and* that the relationship between the company and its customers was not a matter for public com*ment.*

When negotiating on products for inclusion in the scheme, the Department of Prices met con*siderable difficulties in getting* the agreement of the trade associations representing the textile and clothing manufacturers.

The Midlands-based knitwear industry, representing the bulk of U.K. knitwear production, for example, informed the Department in January that in order to survive it would be *obliged* to increase prices by 15 per cent. simply to recover costs, and a 25 per cent. rise was required to provide for *investment and higher wages.*

In the event, Mrs. Shirley Williams, Prices Secretary, managed to produce a list of *clothing and textile products* which covered cotton sheets and towels, spring dresses of man-made fibres or cotton, men's *shirts and children's clothes.*

In almost all cases, the products were hedged with the proviso "some," but it had undoubtedly been hoped that companies like Courtaulds would be able to contribute a significant number of products.

In the event, Courtaulds, a member of the Confederation of British Industry, which made the *agreement* on behalf of its members with Mrs. Williams, may contribute a few small selling *lines, but it seems unlikely that* they will be prepared to peg price rises to 5 per cent. on *many big-volume lines.*

Weather

U.K. TO-DAY

MAINLY DRY, *sunny spells.* Mild.

London, E. Anglia, S.E., E., Cent. and N.E. England, Midlands

Frost at first. Dry and sunny. Winds S., light. Max. 11C (52F).

Channel Is., S.W. and N.W. England, Wales, Lakes, I. of Man

Early frost inland. Dry, sunny periods. Wind S., light or moderate. Max. 11C (52F).

Borders, Edinburgh, Dundee, Aberdeen, Glasgow, Moray Firth

Cloudy. Dry, sunny periods. *Wind S., moderate or fresh.* Max. 10C (50F).

S.W. and N.W. Scotland, Highlands, Argyll, N. Ireland

Cloudy, occasional light rain. Bright intervals. Wind S., fresh or strong. Max. 10C (50F).

N.E. Scotland, Orkney, Shetland

Cloudy, occasional light rain. Bright spells. Wind S., fresh or strong. Max. 8C (46F).

Outlook: Dry, sunny spells. Overnight frost and fog. Some drizzle in N.W. Mild.

Lighting-up: London 18.14, Manchester 18.20, Glasgow 18.25, *Belfast 18.33.*

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amstrdm.	C	8	46	Madrid	F	10	50
Athens	S	14	61	Manchstr.	S	9	48
Bahrain	S	16	61	Melbourne	C	19	66
Barcelona	S	15	59	Mexico C.	S	18	64
Beirut	S	12	54	Milan	S	13	55
Belfast	F	8	46	Montreal	C	−11	12
Belgrade	S	15	59	Moscow	Sl	1	34
Berlin	F	6	43	Munich	S	9	48
Birmghm.	S	8	46	Newcastle	F	8	46
Bristol	S	8	46	New York	C	−15	5
Brussels	S	7	45	Oslo	S	5	41
Budapest	F	10	50	Paris	F	10	50
B. Aires	S	26	79	Perth	C	30	86
Cairo	S	18	64	Prague	S	4	39
Cardiff	S	7	45	Reykjavik	Dz	7	45
Cologne	S	5	41	Rio de J'o	C	29	84
Copnhagn.	S	6	43	Rome	F	14	57
Dublin	F	9	48	Singapore	C	30	86
Edinb'rgh	F	8	46	Stockholm	S	4	39
Frankfurt	S	7	45	Strasb'rg	S	9	48
Geneva	S	10	50	Sydney	R	21	70
Glasgow	S	9	48	Tehran	S	0	32
Helsinki	Sn	0	32	Tel Aviv	S	15	59
H. Kong	C	13	55	Tokyo	C	8	47
Jo'burg	C	26	79	Toronto	C	−9	16
Lisbon	S	13	55	Vienna	S	11	52
London	S	10	50	Warsaw	C	3	37
Luxemb'g	S	7	45	Zurich	S	10	50

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	14	57	Las Plms.	F	19	66
Algiers	C	19	66	Locarno	S	13	55
Biarritz	S	18	64	Luxor	C	22	72
Blackpool	S	8	46	Majorca	S	16	61
Bordeaux	S	16	61	Malaga	S	17	63
Boulogne	S	8	46	Malta	S	15	59
Casablnca.	S	20	68	Nairobi	C	20	68
Cape Town	S	24	75	Naples	F	13	55
Corfu	S	15	59	Nassau	S	25	77
Cyprus	S	15	59	Nice	F	14	57
Dubrovnik	F	14	57	Oporto	S	16	61
Faro	F	17	63	Rhodes	S	16	61
Funchal	S	17	63	Salzburg	S	11	52
Gibraltar	C	15	59	Tangier	F	15	61
Guernsey	F	8	46	Tenerife	C	14	57
Innsbruck	S	12	54	Tunis	F	16	61
Inverness	C	8	46	Valencia	C	14	57
Isle of Man	S	8	46	Venice	Fg	5	41
Jersey	F	9	48				

S—Sunny. F—Fair. C—Cloudy. Fg—Fog. Dz—Drizzle. R—Rain. Sl—Sleet. Sn—Snow.

Continued from Page 1

Press row

the Lords of the danger of union monopoly power.

The peak of his career was reached in the 1960s when he was Secretary of State for Economic Affairs and later Foreign Secretary, a post from which he resigned in 1968 in protest at the way Government decisions were being *arrived at* by Mr. Wilson. He remained Deputy Leader of the party with a seat on the back benches until *he lost his seat in 1970.*

With this impressive background of service to the movement, his resignation is not going *to help the Government in the* Coventry South-West by-election to-morrow. However, although he once had a great following *among the party rank* and file he has been away from mainstream politics for so long that his final departure is not ex*pected to have a major electoral* impact at Coventry.

Later, in a typically flamboyant Press conference, Lord *George-Brown declared:* "If the Government is not going to stand for the individual's right to dissent I don't know what it does *stand for. So I just walked out.* I have gone. Full stop.

Buckton warning on next pay curb

BY ADRIAN HAMILTON

THE NEXT phase of pay restraint is likely to be much more difficult to get through the union rank and file than the present £6 wage limit, Mr. Ray Buckton, general secretary of ASLEF the engine drivers union, warned yesterday.

At a meeting of the Industrial Society in which Sir Ralph Bateman, president of the CBI, put forward industry's demands for tightening of the next phase, Mr. Buckton stressed that before this phase could be decided, there would have to be "very, very great consultation between the people who make the agreement with *Government and the* rank and file."

The voluntary policy of wage restraint, he emphasised, "was *part of a big package deal*" and there were "very many things we will have to take into account before deciding the next round *of pay.*"

While the present round had been successful in holding down *wages and prices,* it had to be remembered that it had followed *an initial phase of the Social* Contract embracing a wide range of policies.

Now union members were faced with high unemployment and with public expenditure cuts that might make them a good deal less willing to accept further restraint.

Resentment

Although Mr. Buckton's remarks represent in part his own union's resentment at the loss of differentials and the cuts in railway services now being *proposed, they also contain an* implicit warning from an important union leader that the TUC will have to tread *cautiously in accepting* any agreement with Government over the heads of individual union members.

In particular, *he referred* to the union conferences due to take place over Easter and suggested that the TUC would have to wait to see what response these indicated before making up its mind.

His views, if they accurately *reflect union feeling* at the moment, must come as a disappointment to the Government, which had hoped to negotiate the *general outline of the next* phase of counter-inflation policy as early as possible, preferably before the Budget decisions are *made.*

They also come in stark contrast to the firmness of the position already taken up by the *Confederation of British Industry,* as emphasised again by Sir Ralph Bateman in the main speech at yesterday's meeting.

Repeating the CBI belief that wage rises should be halved to around 5 per cent. in the next phase, Sir Ralph indicated little room for compromise in his position.

Industry, he said, was firmly against price restraint, which squeezed it of profit and reduced its incentive to invest.

Low morale

He rejected the idea of continuing flat-rate wage rise limits, and even more firmly demanded that there should be "no continuation of the £8,500 cut-off."

"Morale among middle and senior management to-day is as low as I have ever known it. *Management is grossly under*paid and overtaxed, and we ignore this at our peril."

The CBI was seeking a pay limit expressed as the "maximum percentage increase consistent with achieving the target on inflation."

It would be applied to the pay bill for bargaining units over the 12-month period. Subject to that limit, employers and unions should be wholly free to negotiate agreements appropriate to their own circumstances.

If they wished to negotiate a flat rate, then they could do so. *Alternatively, they could nego*tiate settlements which would help to avoid further erosion in differentials.

"*The only* limitation is that the overall settlement for each bargaining unit should not exceed the agreed national pay package."

He said there was little room in the next year for introducing productivity schemes.

While he hoped pay restraint could end at some time there was every need to keep it for some considerable period, until inflation rates were down to a level the country could afford.

His speech, which would seem to harden the edges of CBI *representations* on the issue to the Treasury, indicates both how far the CBI has already made up its mind on the next phase *of counter-inflation policy* and how far it diverges from the feeling of unions and, indeed, the feelings of some of its own *members as expressed* at the meeting.

Registered at the Post Office. Printed by St. Clements Press Ltd. for and published by The Financial Times Ltd., Bracken House, Cannon Street, London EC4P 4BY.